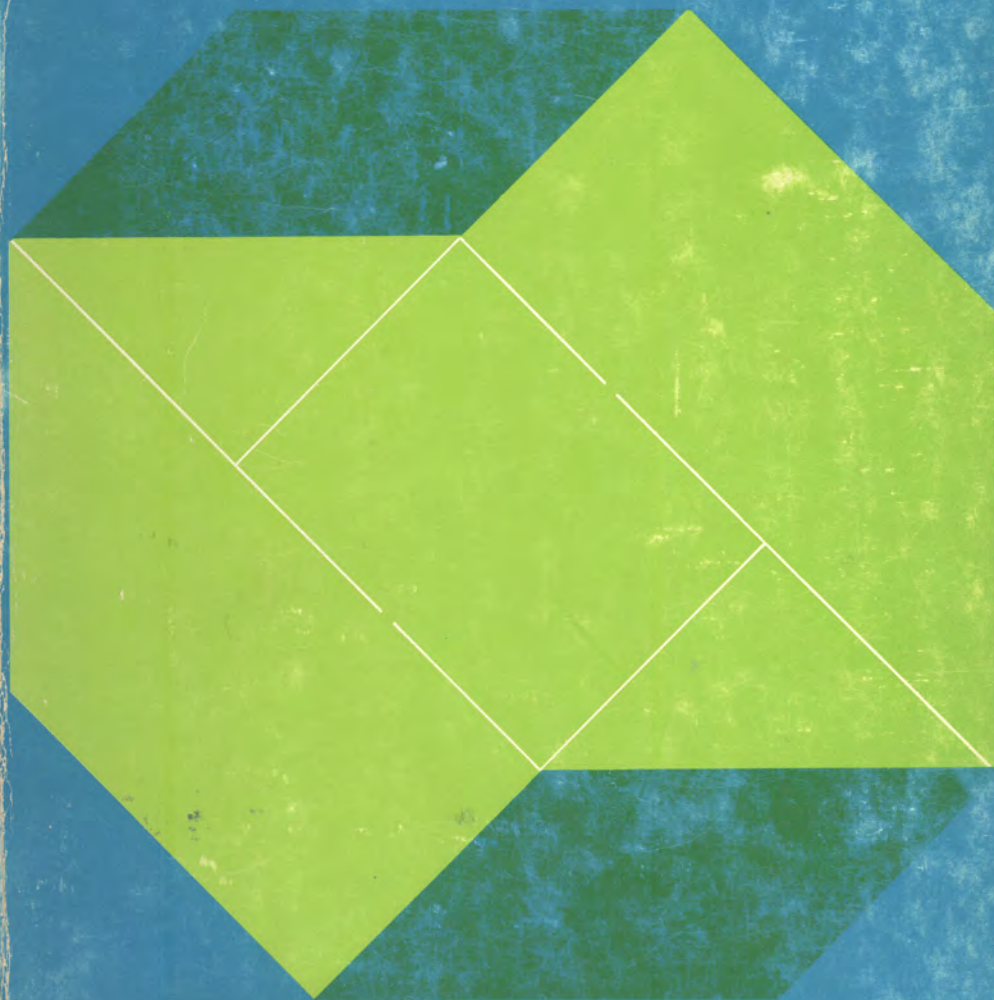


the right to housing

Michael Wheeler



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is based on the Background Papers and Proceedings of the *first* "Canadian Conference on Housing" held in Toronto (20-23 Oct., 1968) under the sponsorship of the Canadian Welfare Council.

The Editor, Michael Wheeler, Executive Secretary of the "Canadian Conference on Housing", and now Director of Research in the Canadian Welfare Council, is a graduate of British and Canadian universities. He was Associate Professor at the University of British Columbia School of Social Work and a consultant in the housing and urban renewal fields. As an adviser on social and economic affairs to governments and to the United Nations, he brings urbane, discriminating experience to this task.

Contributors to *The Right to Housing* include experts such as David Donnison, author of *The Government of Housing*, and Dr. Albert Rose, author of *Regent Park: A Study in Slum Clearance.* Chapters on "Housing Problems and Policies", "Canadian Housing Policies" (historical), "The Rising Cost of Housing and Problems of Financing", "Health and Housing" are a veritable charter for future Canadian practice and will engage students of housing and planning abroad. Condensed critical discussion by outstanding Canadian, American, and European panelists, reports of policy workshops, and recommendations give this book an entirely contemporary and functional character.

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THE RIGHT TO HOUSING

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This book is dedicated to the men and women who, over the years, have helped to create a public conscience for the housing needs of Canadians. Some of these people assisted in the preparations for the first Canadian Conference on Housing — of which this book is a report. Many participated as delegates to the conference. Their contribution is gratefully acknowledged. The impact of the conference and its contribution to housing policy in Canada and to the well-being of all Canadians owe much to the unstinting efforts and wise counsel of the chairman of the conference, W. Harold Clark of Toronto, and his executive committee:

Alan Armstrong, Homer Borland, P. E. H. Brady, Humphrey S. M. Carver, Henri Dion, Q.C., Peter Dobush, Paul Goyette, George Masson, Mrs. J. J. McHale Jr., Harry Penny, Albert Rose, P. R. U. Stratton.

Introduction

The outlines of a disturbing nation-wide housing situation were already visible when planning began in 1966 by the Canadian Welfare Council for a national conference on housing. To the long-standing problem of inadequate housing among low-income groups a new dimension was being added as increasing numbers of middle-income families found themselves unable to afford the sharply rising costs of accommodation. With the extension of the problem to the middle-income group, housing became a political issue of national concern, in marked contrast with the public indifference of preceding years.

This indifference was most evident in the failure to exploit the opportunities under the National Housing Act for development of low-income housing. Federal assistance for low-income housing had been available since 1949 but, with the exception of the expanded program initiated by the Ontario Housing Corporation in 1964, local and provincial authorities had shown little inclination to make use of this federal aid. In the face of the manifest need, what accounted for this reluctance to act? What made the implementation of housing programs such a laborious process? Why, in too many instances, were authorities insensitive to the wishes and needs of the people affected? These and many other questions were demanding answers as planning began for the first Canadian Conference on Housing.

From the beginning, it was clear that the field of housing is too complex and too central to a nation's economic and social development to admit of single or simple solutions. Similarly,

although the conference had a particular interest in housing for people of low income, the formulation of coherent policies required this segment of need to be examined as part of the total spectrum of housing requirements.

An effective housing policy must take account of a number of interrelated issues — economic, social, technical and political. Moreover, the “housing problem” cannot be explained or measured by an objective summary of the facts alone. It is a problem as perceived by people and as defined by different interest groups. Resolution of the problem requires the best thought that governments can give, as well as an informed public that is aware of the issues and the alternatives. It also requires the mutual understanding of a number of special interest groups and better communication among people with specialized knowledge. The conference and the two years of enquiry, public education and stimulation of research that preceded it were designed to promote this broader understanding, to produce realistic guides for action and to lay the foundation for a continuing association of concerned citizen groups and individuals.

Although there are a number of organizations in Canada that have some specialized or partial interest in housing, there is no one organization that has a comprehensive concern and is recognized as speaking in the public interest. Perhaps the subject of housing touches so many aspects of our lives, and so many economic interests, that it is simply not possible to embody them all in a single national organization. Nevertheless, it seemed important to attempt to create through the conference a forum in which the various parts of this complex subject could be objectively considered in their total context.

Findings of the conference

The conference marks the first time in Canada that a group of delegates from the three levels of government, on both the political and administrative side; business and labour; civic, church and non-profit organizations; the design and planning professions; social welfare; tenants and neighbourhood associations

have agreed on a set of principles and priorities which, in their judgment, would serve the best interests of Canadians. *

Clarification of goals and priorities is a first responsibility of public policy and, accordingly, the recommendations of the conference take the form of general principles rather than specific proposals for action. It is significant that conference delegates should declare, in their first formally approved statement, that "all Canadians have the right to be adequately housed whether they can afford it or not". To reinforce that clear and firm declaration they stressed that housing requires much higher priority in the economy and that it should be considered as socially essential as education.

The conference recognized the inadequacy of government allocations for housing and insisted that so long as they are insufficient, priority within housing budgets should go to those with the greatest need, including ethnic minorities and poverty groups, through the appropriate use of housing, employment and income policies.

The conference saw a need for the appointment of federal and provincial ministers of housing and urban affairs, and for senior government financing to be more responsive to differences in local needs. Regional administrative units were proposed to encourage comprehensive planning and development. The question of land costs was considered, and although there was a substantial demand for public ownership of urban land and elimination of land speculation, there was a question of whether these funds ought not to be spent to open up more land through provision of services, including schools. In either case, the use of public funds was endorsed to ease the burden of rising land costs.

The necessity for a public sector in the housing market was not disputed. Dissatisfaction was expressed, however, with the limited choice and the stigma associated with some of the current

* Affiliations of the 550 conference delegates were as follows: elected members of government, 10%; public officials, 23.3%; builders, developers, lenders, real estate, 10.5%; architects, planners, 7.6%; other professions, 0.9%; organized labour, 4%; co-operatives, 3%; boards of housing agencies, 7%; public interest organizations, 8.6%; residents' and tenants' associations, 3.5%; churches, 4.1%; social welfare, 5.4%; universities, 8.6%; other, 3.5%.

forms of public housing. Emphasis on small developments and the dispersal of public housing throughout the community, the creation of a wider income mix through modification of the rent scale, less obtrusive design of public housing projects and community development programs to further the integration of public housing residents in their neighbourhood — these were among the improvements recommended by the conference. Particular importance was attached to the provision of adequate social and recreational facilities, which would be eligible for financial aid from the senior governments.

The conference recognized the need to make the best use of a scarce resource and so it recommended effective incentives, including grants, for the rehabilitation of existing housing stock. This was seen not only as a means of improving and maintaining the existing housing stock but also as a means of lessening social dislocation and preserving the historic character of our cities.

The need was recognized for low- as well as middle-income groups to enjoy greater freedom of choice in the location, design and tenure of housing. Accordingly, it was recommended that co-operative and other non-profit and limited dividend housing by responsible sponsors should be further promoted and assisted in order to provide this wider choice and ensure a healthy diversity in the sponsorship and ownership of housing.

Housing is more than mere shelter, and so it was urged that public policies for housing consider the total housing environment. The human satisfactions to be derived from a dwelling depend as much on its community context (physical, social and economic) as on the dwelling itself. Therefore government policies should effectively promote better integration of physical and social planning.

The conference recognized and supported the growing claim of residents for more direct participation in decisions affecting their housing environment. Genuine participation is a prerequisite of a vital democracy as well as the necessary means of avoiding the mistakes inevitable in planning for people rather than with them. Public policies should formally provide for such participation and for information and counselling services to citizens with housing problems.

Impressed with the lack of validated knowledge of the social, technical and economic aspects of housing and community design, with the need for continuing innovation and experimentation and for monitoring the effectiveness of existing programs, the conference recommended establishment of a national institute or council on housing, with responsibility for developing and collating the information necessary for sound policy-making.

It was not expected that the conference would produce dramatic solutions. Probably far more important in the long view is that it demonstrated the possibilities and benefits of vigorous citizen participation in policy debate at the national level. Delegates left with increased awareness of the complexities of the housing situation, of its regional differences and of the scope and limits of public action. Undoubtedly, the effects of this understanding will be felt long after the conference. Perhaps one of the most significant conclusions to emerge is the need for a commitment by governments at all levels to the assumption of a dynamic role in the housing field, if the *right* to housing proclaimed in the first recommendation of the conference is to become a reality for all Canadians.

Michael Wheeler
Canadian Welfare Council
Ottawa

August 1969

Background Papers

I

Housing Problems and Policies: an Introduction

David V. Donnison, Director
Centre for Environmental Studies
London, England

THE HOUSING PROBLEM

Housing problems play a part — often a central part — in the political debates of every country. But the variety and complexity of the problems debated are often concealed by the superficial similarity of the language in which they are discussed. We must try to sort out the problems and clarify the language before we can talk sense about policies.

If everyone agrees there is a housing “problem” this suggests there must somewhere be a housing “solution”: the words fit naturally together. But while there may be solutions (at least within the context of particular time, place and circumstance) for problems of water pollution and aircraft noise, or even for problems of rent policy and building construction, the field of housing — taken as a whole — is too big, too complex and too central to the culture and character of society for its problems to be “solved” in that sense. Housing is our home, the store-room and showcase for our possessions, a mark of status and a base from which to reach everything else we need — work, school, shops and recreation. While our families continue to change in size and structure, while we acquire new possessions, take up new activities and new social roles, so will we seek new or better or different housing. It is technically feasible to produce about as much bread, bedding or ballpoint pens as a nation can use. But even the best housed countries have found no limit to the quantity or quality of housing they want. Such a limit could only be found in an entirely static society in which people’s consumption patterns, aspirations and relationships had been frozen for ever.

Thus it will be more helpful to think of dilemmas than problems, and more helpful to think of policies and programs than solutions. But policies for what? Here four other words may be useful.

Statements about housing *demand* describe people's behaviour in defined circumstances — their capacity and willingness to buy, rent and retain housing space of various kinds in various places. Their demands may be "effective" (what they are now doing) or "potential" (what they might do in future or under other circumstances). Statements about housing *need* convey an opinion about the housing that someone should have — the demands that ought to be made effective. Statements about housing *requirements* describe the objectives of a housing policy — the needs that government is or should be committed to satisfying, whether directly through its own activities or in other indirect ways. A housing *program* is a set of policies leading to practical action that is designed to meet stated requirements within a particular country or administrative area over a particular period of time. It must extend well beyond housing, narrowly conceived, to encompass any action that helps to meet these requirements.

Since there is no final solution for housing problems and no ceiling to housing needs, those concerned with these problems must think not of an ultimate utopian goal but of a program — a way forward best suited to the current circumstances of a particular country. Assessments of unmet needs will help to show the route to be followed and urge people to make progress along it. But they can be no more than provisional; before these needs have been met, new and more ambitious objectives will generally replace the old ones.

These objectives are couched in terms of housing standards. These, too, call for clarification. What are the social realities which give such standards meaning?

We may be concerned mainly about the privacy and independence of the household. If so, our standards should be based mainly on measures of the quantity of dwellings available to the population and the numbers of people who have managed to set up a separate household. Assessments can be made by comparing the numbers of houses with the population to be housed, or by examining "headship rates" — the proportion of people in defined groups (e.g., married men, aged 40-64, in urban areas) who are

heads of households. Standards, in this sense, tend to be highest in countries which have maintained a steady rate of building and a slow rate of population growth over many years. Canada has a young population with a high rate of household formation, and high but fluctuating rates of immigration, emigration and internal movement. Thus housing standards, in this sense, may change sharply from place to place within a short space of time.

Or we may be concerned about the comfort and independence of the individual within the household, in which case we must examine the ratio of persons to rooms, compare the sizes of houses and households, and consider the convenience (the space, planning and heating, for example) of rooms, and the open space, private and public, available to the household. Standards in this sense tend to be highest in countries which have not only a plentiful stock of dwellings but also a long tradition of building solid and spacious houses. The "recreation room" in the basement of many Canadian houses is an asset envied in other parts of the world. But among the growing proportion of Canadian households living in apartments there may be too many small children deprived of indoor and outdoor play space, and too many teenagers deprived of privacy and a soundproof room. Any assessment of standards, in this sense, must take account of the climate and culture of the country. Higher standards will be needed in countries where people must survive long months of extreme heat or cold than in countries with more temperate climates: Canadians have to contend with both extremes.

Or we may be concerned about the quality, value and prospective life of the housing stock, in which case assessments of the age, structure, location and equipment of houses will be called for. Standards in this sense will generally be highest in wealthy countries which have built fast in recent years, which have successfully imposed rigorous minimum standards on builders, and improved, replaced or abandoned older houses built for earlier and poorer generations. Wooden houses in a rigorous climate call for a lot of maintenance; without it, they can quickly deteriorate beyond hope of repair. The assessment of housing standards, in this sense, again poses special problems in Canada.

Or we may be concerned not with average standards at all but with the living conditions of the poorest households, the

quality of the worst houses, and the gap between these conditions and those of more fortunate neighbourhoods. This will call for an assessment of the numbers of households that are overcrowded or sharing kitchens and bathrooms with their neighbours, the numbers of houses that lack essential equipment, and the numbers of people living unwillingly in trailers, temporary housing and institutions of various kinds. In the richer countries, hardships of these kinds are often worst in relatively prosperous urban regions: rapid industrialization may have brought immigrants and country people to overcrowded cities where they have been confined to the slums by public apathy or social discrimination, with scant chance of escape to better neighbourhoods.

Thus there is no single or simple way of appraising a country's housing standards or choosing the priorities for a housing program. The Swedes, a wealthy people with a low birthrate, live mainly in blocks of small apartments in new cities. Their headship rates and the quality and equipment of their housing are among the highest in the world, and many families have a summer cottage. But the Norwegians and the Belgians have larger houses with more rooms per head and more private outdoor space. Czech housing is, on average, more cramped than that of Austria; but in Austria there are more people living in the most crowded conditions, and more in the least crowded. Czechoslovakia has been more successful in eliminating inequalities. To anyone who asks which of these countries has the best housing conditions we can only say that his question must be more precisely phrased if he wants a clear answer to it. Their governments have adopted different aims and priorities and should be judged on different criteria. In some countries — Italy, for example — the development of depressed agricultural regions and the employment of the workless in construction have been a major aim of housing policy. In others, such as West Germany, priority has been given to the rebuilding of destroyed cities, the housing of refugees and the promotion of owner-occupation as a hedge against Communism. In others — Czechoslovakia, for example — housing has been built and allocated to eliminate the worst inequalities and to recruit workers for industries and regions suffering most from scarcities of labour. In all countries, housing policies have diverse origins and objectives which may be difficult to combine.

In general, the quantity of housing will be best where population has grown slowly and houses have been built quickly for the past generation or two; living space for the individual will be most plentiful where these conditions are coupled with a building tradition that produces houses of generous size; the quality of housing will be best where rapid progress has been made in building, improving and replacing houses since the point at which modern standards of construction and town planning were adopted; and inequalities in housing conditions will be least severe where inequalities of income and status are kept to a minimum, and the structure and geographical distribution of households best "fits" the structure and distribution of the housing stock. And all these things will depend in part on the vigour and responsibility shown by governments over many years.

The housing problems confronting each country are the outcome of a long history. Few countries add more than 3 per cent to their stock of dwellings in a year — though Canada has occasionally achieved this. Few demolish more than one half per cent in a year. Their housing conditions and their opportunities for improving them depend largely on resources and on economic and social trends inherited from the past, and on their capacity for adapting and developing these resources to meet the needs of the future.

The Canadian situation

In those crowded countries of Europe which embarked early on their industrial revolutions, housing conditions have passed through successive phases, each presenting their own problems. In the early stages of industrialization, populations grew rapidly and thousands moved to the towns. The stock of housing grew fast, but it was many years before living conditions improved sufficiently to produce any reduction in urban mortality rates. The main and essential contribution of governments at this stage was to provide clean water, effective drains and a spacing of houses and streets that brought light and air into people's homes.

The turning point came when the pace of migration to the cities began to ease off, better transport systems enabled town workers to spread out and find homes much further afield, the size of families began to fall and electricity became generally and

more cheaply available. These things happened in many parts of northwestern Europe within the space of about thirty years. Governments which had hitherto been confronted with housing situations that could be barely controlled but not radically improved, at last had an opportunity of making real progress in this field.

Now many of them face new problems — difficulties still not properly understood but possible to surmount if resolute action is taken. Old people are growing in numbers, better equipped than their predecessors to maintain separate homes of their own, and more determined to do so. Growing numbers of young people leave home to study and seek their first jobs; they want rooms and flats of their own and no longer live with their parents or find lodgings in other people's homes. Thousands of older houses, built in the nineteenth century and now incapable of replacement at prices that could be paid by those who live in them, must be replaced or modernized. Inflation reduces the burdens of debt on houses built a decade or more ago, but continually pushes up the price of new housing. Growing scarcities of land for house-building, sharpened by the imposition of strict town planning controls on land uses, are pushing up the price of building sites. Cities are threatened with strangulation by the motor car, and the costs of the investment required to avert this fate are very heavy. These are among the new problems of the richer countries.

Canada is one of the richest of these countries and she is familiar with most of their problems. But her industrial revolution came late and she also has many of the characteristics of an earlier stage of development. Her cities are growing at a fantastic pace, swollen by a continuing but sharply fluctuating inflow of migrants from overseas and from rural areas. Internal migration would impose severe strains on the housing market even if immigration came to a halt. In remote places and among Indians and Eskimos, housing conditions of the most primitive kind are still to be found. This is still a young country in which people marry early and have relatively large families, producing rates of household formation and demographic growth that are well above the European averages. But the rate of building is high and the construction industry, given proper organization and an assured demand, can build as many houses as the country needs. Land

scarcities are likewise a problem of organization, credit and political leadership: there is no shortage of space. Thus although Canada's problems may be formidable, her opportunities are unlimited.

Will this country with her enormous wealth and abundant enterprise be capable of giving *all* her citizens the kind of housing they deserve? Can housing conditions in this country avoid becoming both the cause and the effect of pervasive social injustices, as they are in so many other countries? Canada could set a pioneering example in the housing field which would be an inspiration to others for a long time to come.

To examine this challenge and the response it calls for, we must digress for a few pages to consider the nature of poverty and its implications for housing policies.

POVERTY

It has often been said that a nation reveals the quality of its culture and the level of its civilization in the way it treats its old people, its physically and mentally handicapped, and all its poorest citizens. Such statements — for so long the raw material from which to spin a peroration — are becoming in a literal sense true. A nation's capacity to evolve as a free community — its leaders democratically chosen, and its people's rights protected by law and by the mutual respect and toleration of their fellow citizens — may in future depend on its success in giving every citizen similar rights and opportunities. A society that fails to do this can survive, but at a cost in disorder, law enforcement and the degradation of human relationships which may prove frightening.

The massive productive capacity of industrial, urban societies makes it plain that they can now afford to give all their people comforts and opportunities that were once the privilege of the rich. The spread of education and general knowledge through the schools and the mass media has shown everyone how the other half lives, and is giving everyone a taste for the better half's living standards. Jack, in a fundamental human sense, was always as good as his master: now he knows it; and soon he will expect to be treated accordingly.

Poverty has been redefined. It is no longer "life below the minimum" — a degree of hardship that could ultimately be eliminated, even in an unequal society, by raising the whole distribution of incomes above a "poverty line". Poverty, in the richer countries, now means exclusion from the continually expanding comforts, opportunities and self respect accorded to the majority of the population. It may impose hardships but that is

not its defining characteristic. It is inequality and exclusion from the wider society that define poverty.

This redefinition has been accompanied by the disturbing discovery that economic growth in industrial urban societies does not eliminate inequality. It often exacerbates it. The fruits of growth are not spread evenly, like jam, across the whole nation; still less do they accumulate among the poorest. They go first to those in work, to those with the scarcest skills and strongest bargaining positions, to those in the expanding industries and the prosperous regions and to those with access to their profits. Social services in such societies can help to check these tendencies, but they will not reverse them; some of the most costly of these services were never intended to. Education, for example, provides opportunities for personal and social development — opportunities that are bound to be seized most quickly by those already best endowed. Other major services were designed to meet the needs of majorities — the average, well-represented citizen. Too often these services degrade the deviant and reinforce the exclusion of poverty-stricken and under-represented minorities from the wider society in which they live. Thus unless deliberate and determined action is taken, the normal evolution of urban, industrial countries tends to widen the gulfs and sharpen the conflicts between rich and poor.

Discussion of social policies often starts with a recognition of these awkward facts, but then goes on to point out that education, social insurance, social work — or whatever else is being considered — cannot eliminate, single-handed, the inequalities of an unjust world. Having excluded the fundamental problem from their terms of reference, all concerned can then concentrate on more restricted and immediate issues. Often they are right to do so.

But those who are seriously concerned about housing problems cannot take this escape route. Housing is so central a feature of our living standards and plays so large a part in determining our life chances and social status that policy makers in this field must take some account of their country's biggest problems.

The point deserves to be briefly illustrated. I have already stressed that there is no ultimately satisfactory standard of housing: the standards regarded as adequate at a particular time

and place depend on the continually evolving living standards of the bulk of the population, and the opportunities people have for securing housing of this standard depend upon the distribution of incomes within the population. Meanwhile their opportunities for purchasing other things depend on the sums they must devote to housing — so often the first and biggest claim on their budgets. But money is not the end of the story. Housing opportunities will be restricted and distorted by social discrimination of any kind, deliberate or accidental: housing and civil rights can never be considered in isolation from each other. The social composition of neighbourhoods within a town goes far to determine people's opportunities for education, and hence for jobs and many other things, and these neighbourhood patterns depend heavily on housing policies and the workings of the housing market.

Thus poverty and its implications must be considered before housing policies can be explored.

Forms of poverty

In the advanced economies poverty can be divided, with an eye to its causes, into five main types.¹ These types cannot be clearly distinguished in real life; they overlap and reinforce one another. But the abstractions that follow may help to distinguish different problems and elucidate their implications.

a) In the modern labour market people are paid according to the jobs they do. Each successive generation is expected to undergo a longer period of education and training before starting work and to survive for a longer period of retirement after stopping work. Thus only a minority of the population is earning at any one time and the rest are dependent on the working population or on savings made in the past. Hence *life-cycle poverty* is liable to press on people at predictable phases of their lives: in childhood, later when they have children of their own to support, and again in old age. The incomes of those who follow executive and professional careers tend to rise into late middle age and then fall slowly, but those of manual workers — partic-

¹ In this section I have drawn heavily on the work of a panel on poverty set up by the United Kingdom Social Science Research Council and acknowledge the help of the panel's rapporteur, Dr. Alan Little.

ularly the less skilled among them — do not rise much after they have attained manhood, fall sooner towards the end of working life, and then drop more sharply in old age. The least skilled often have the most children to support; they need more housing space than others just at the point when their households' per capita incomes are lowest.

b) Economic development comes about through the expansion of some industries and trades and the contraction of others. At any point in time, some neighbourhoods, towns and regions will depend more heavily than others on declining forms of production. All those who live in them will suffer to some extent from *depressed area poverty*. Since investment of all kinds tends to be concentrated more heavily in the expanding areas, housing is likely to be older and poorer in the depressed areas. A big country in which large regions have a thinly scattered population is bound to be particularly exposed to poverty of this sort. If agriculture, fishing or mining decline in such regions it is harder for those working in these industries to find alternative jobs. If to the handicaps imposed by isolation are added the handicaps suffered by middle-aged and poorly educated workers or by minority groups speaking minority languages, the poverty will be even more severe.

c) Some people suffer from sharp but temporary setbacks to their living standards arising from the unemployment, illness, injury, desertion or death of a key member of their household. This is *crisis poverty*. It may compel them to give up their homes because they can no longer afford to pay for them or because of changes in the structure and needs of the household. They may have to move in search of work, or find a house without stairs suitable for a crippled man, for instance.

d) Some people never fully recover from crises of this kind. Others are physically or mentally handicapped from birth and have never earned a living. Modern medicine and technology help some people to escape from *long-term dependencies* of this sort, but they preserve the lives of many who would previously have died. We may in future have more handicapped people, not less. These people's lives may be eased or burdened by their housing conditions.

e) There tends to be some segregation of richer and poorer households in every town: the folklore of industrial societies is full of references to "east end" and "west end", the "gold coast" and the "wrong side of the tracks". In larger towns the concentration of poorer people in particular quarters may impose an accumulation of mutually reinforcing social handicaps upon all who live in these neighbourhoods. They compete for the same poorly paid jobs, they use the same impoverished schools and public services, they may pay inflated prices for poor quality goods, and their low status follows them and restricts their opportunities wherever they go. In extreme cases, the struggle for living space and opportunities in such quarters and the continuing escape to more prosperous areas of the more fortunate and successful people can produce a breakdown of morale and possibly of public order and civilized relationships. These conditions may be described as *downtown or inner-city poverty*. They are often found in the heart of the most rapidly developing regions where the footloose and the foreign or rural immigrant have been attracted by the great cities' labour markets and excluded from their housing markets. At times of seasonal unemployment or temporary recession, other vulnerable people may seek refuge in these neighbourhoods.

To these five types of poverty some would add a sixth: a pattern of mutually reinforcing behaviour, aspirations and relationships which arises in response to years of frustration and hardship and amounts to a "culture of poverty", depriving people — and their children after them — of the capacity to escape to better things. Such patterns exist, but they may be no more than a human response to severe deprivation — patterns that would change if the burdens of poverty were lightened. If so, it would be misleading to identify them as a separate type of poverty or to suggest they had causes not to be found in the other conditions I have listed.

These are abstract concepts. In real life different types of poverty are mixed together. People who live in depressed areas and downtown neighbourhoods are more likely to suffer crises, and the troughs of the poverty cycle are apt to be more severe for them than for others. At points of stress in their life cycles people are more vulnerable to crises which may therefore develop

into long-term dependencies. The abstractions may nevertheless help to distinguish different problems which call for different strategies.

Poverty and housing

Housing conditions and housing policies bear on the problems of poverty at many points. I have touched on some of these — the deprived downtown neighbourhood that is partly created by the workings of the housing market, for example. Look now at the other side of the coin. What can be done about poverty and incomes to provide a sound foundation for housing policies?

People's housing needs change at different stages of their lives. There are about five phases in a typical "housing history". First, in childhood, we live in our parents' home. Second, we leave home to seek education or work and to get married. For a while, "home" is still our parents' house; where we live is a shelter for sleeping, a store for our belongings and a lair from which to explore the world; its location is often more important than its dimensions and equipment. Third, we start new families and create homes of our own in which wives and small children spend most of the day: domestic space, equipment and privacy — indoors and outdoors — become very important; location, given a car or good public transport, may be less important. Fourth, our children grow up and leave home but return with grandchildren from time to time; the house becomes a sort of hotel, crammed to the roof occasionally and half empty for the rest of the year. Fifth, as we grow older and find it harder to drive a car, to fix loose tiles, to reach high cupboards and get about, the accessible world shrinks and house property becomes a hazard and a burden. Our capacity to stay independent, physically and financially, then depends increasingly on the kind of housing we have. We find it harder to make new friends and do not want to lose touch with those we have or with our relatives; hence the location of our house again becomes as important as its size and equipment.

When there are small children in the household, in the first and third phases of this history, their happiness depends heavily upon the house they live in and its immediate surroundings. It is then that the household needs most space. Then, too, it generally

has an income, *per head*, that is well below the levels of the immediately preceding and following phases, and heavily committed to buying food, clothing and other essentials.

The building and lending institutions of industrial societies have been organized to serve the demands of households at this stage of development. It is at this point that people seek housing most urgently and make the greatest sacrifices to get it. It is at this point, too, that the future earning capacity of the head of a household is most predictable and secure; if he earns enough, he is now the safest risk for lenders.

In the final stage of their housing history, many people want to find a home that will enable them to preserve their independence to the end. It should be thoughtfully designed but it need not be large or expensive. The building and lending institutions have not catered so successfully for this market: in many countries, old people have only recently become a large and rapidly increasing group in the population, and they are not good risks for lenders. To find a really suitable house at this stage will often mean moving to a new dwelling. In an inflationary world, that will be expensive. Only the most fortunate can commit themselves to heavy expenditure in their retirement.

In most countries very little building is specifically designed for people at the second stage of this history — which is one that may last a lifetime for those who never get married. Like the aged, the single and the newlywed when they leave their parents' homes generally have to live in housing that was originally designed for families. Governments usually devote scant attention to this group. The Canadian government, to its credit, has recently provided financing for houses for students, but many other young people have similar needs.

From this simplified sketch of the character of the demand for housing, it is clear that the scope for progress toward the solution of housing problems depends on a redistribution of income which eases life-cycle and crisis poverty and long-term dependencies. The means for such a distribution are well known, but seldom used as effectively as they might be: (1) tax relief for the dependants of those whose incomes are large enough for relief from direct taxation to make an appreciable impact; (2) sufficiently generous family allowances for those with lower incomes;

(3) sufficiently generous superannuation and old age pension schemes, providing some protection against inflation and some means of adjusting income to keep pace with the rising real incomes of the working population; (4) similar schemes for the unemployed, the sick and others facing temporary crises, and for long-term dependants and those who have to care for them. These are the starting points for an effective housing policy. The more radical a government is in redistributing incomes, the less radical it need be in its housing policies. The more cautious its income policies, the more radical its housing policies will have to be.

But even the most radical scheme for a general redistribution of income will not ensure an effective demand that meets all housing needs. The severity of the handicaps of some of those who face long periods — or a lifetime — of dependency depends on the housing they can get. Many countries have built and subsidized special housing for the elderly, fewer have given similar help to younger physically handicapped people, and fewer still have considered the housing needs of those with severe mental handicaps. Men and women condemned to spend the rest of their lives in wheelchairs may find it impossible to work or keep in touch with friends simply because they must enter and leave home by a flight of stairs; members of the family who look after them may be equally tied to the home as a result.

The price of housing will vary widely from place to place, and even within one region there will be big differences in the sums people pay for the same kinds of housing. A couple of poor rooms in the centre of a big city may be far more expensive than a good house in a remote or depressed area. Old people who bought a good house long ago pay nothing for it but property taxes (onerous though these may be), insurance and the price of occasional repairs. A similar household next door may have to pay a continually rising rent for the same kind of house. No system of pensions, family allowances and other benefits that depend on the structure of households and their contributions to insurance schemes can match the housing costs and requirements of all these situations. Some form of housing subsidy will be needed to supplement the general system of income maintenance.

The depressed areas and deprived downtown neighbourhoods present special housing problems that can only be completely solved by new investment and long-term planning which provide wider opportunities for their people, in these areas and elsewhere. Rebuilding that does not rehouse those whose homes are demolished, and rehousing that does not produce an environment that people would voluntarily choose to live in, will shift problems around but cannot solve them. The social integration of these areas into the wider national community to which they belong is a more distant objective. But it is an objective that must be stressed because it is too easy for governments to concentrate on programs offering hope of a quicker return and forget the longer term aim.

In the great cities of industrial countries, new investment has for generations been concentrated in the centre (on commercial and administrative development and the rebuilding of communications) and on the continually growing fringe. In between there lies a twilight zone that is relatively starved of investment. In it there tend to live those who have been excluded from the growing parts of the housing market — old people, single people, newcomers and the poor.

When government turns to these twilight zones (and Canadian governments are only beginning this task) it demolishes slums and rebuilds, and often gives priority to particular types of household (to families with children, for example, or to those long established in the area). It may offer loans and grants to those capable of buying and improving their own houses, and it may concentrate greater resources on the schools and social services in these neighbourhoods. It thus enables some people to escape to better things elsewhere, but the less fortunate remain, and newcomers continue to arrive. As the cheap and rather ramshackle housing they rely on dwindles — housing that was capable of makeshift subdivision and a good deal of (possibly illegal) overcrowding — they may suffer even worse hardships than before. The housing conditions of the city, viewed as a whole, improve. The averages culled from successive censuses show that the city has smaller households, fewer houses without baths, more rooms per person and less overcrowding. But the housing conditions of particular groups and neighbourhoods may

be growing worse, partly because of the very policies that were intended to help them. This was the situation the Milner Holland Committee found in London.²

Any area which recruits the more vulnerable and continually loses its most fortunate and successful people will be socially deprived in all kinds of ways, whatever else may be done for it. Any attempt to improve housing conditions in such an area must start from a careful study of its people's needs and resources. It is a most complicated piece of social engineering. To concentrate simply on improving the physical standard of buildings in the area will only make things worse for those who are already excluded from so much the city has to offer.

The filtering theory

Faced with such complex problems, many will be tempted to say that government should ensure a large and continuing output of good housing and a predictable demand from those who can afford to pay its price, and leave the rest to the market. Those who get the new housing will leave vacant spaces for others who will in turn leave spaces for yet more. In this way the benefits offered by a better and more plentiful stock of houses will reach the maximum number of people and percolate in time even to the poorest.

Does this filtering process work? The argument on this question is a very old one and this is not the place to pursue all its ramifications. The answer, in brief, is that the benefits arising from new building in a free market do filter down to many who never get a new house, but these benefits do not greatly affect those at the bottom of the income distribution. What is more, we do not have a free market and never again will have one. For this reason, too, those at the bottom are deprived of the benefits of new building.

Stripped of the escorting assumptions and qualifications required for a thorough analysis, the problem can be explained in this way. In a free market the incomes of householders will approximately match the quality of their housing (defining "quality" to

² Great Britain, Committee on Housing in Greater London, *Report*, Command Paper 2605 (London: H.M.S.O., 1965).

include the size, age, location and every other characteristic of a house that people are prepared to pay for). The richest will have the best houses, the poorest will have the worst. In a prosperous economy, incomes will rise and most of those who move house will do so because they can afford something better.

A builder seeking to sell in the dearest market will build for the richest — call them income group 1 — and some of them will move into his new houses. If all those who moved left an empty house behind them for others to move into, the whole population could in time be rehoused by the building of one new house. But they do not. Some people want two houses and retain their previous home when buying a new one. Some people set up home for the first time, and their parents (or whoever they previously lived with) do not relet the space they previously occupied. Some people abandon houses that are demolished or converted into offices or barns. To make the arithmetic easy, let us assume that half the moves generate a subsequent move. If the first builder sells 1,000 new houses that are better than any previously available, this will create 500 spaces for people to move into in the next quality bracket.

A second builder sells 1,000 houses to income group 2 — houses of the quality occupied by income group 1. He has to compete with the sellers of 500 houses already vacant in this quality bracket. A third builder sells 1,000 houses to people in income group 3. He has to compete with 500 vacancies created by the second builder's sales and 250 created by a second round of moves resulting from the first builder's sales. If 1,000 new houses are built for each successive rung in the quality "ladder" and taken by people in the income groups one rung below, then the number of people selling secondhand houses to each income group in competition with the sellers of new houses will rise in this example towards a maximum of 1,000. But the builders can still sell against this rising competition because the potential demand — the numbers of households in successively lower income groups — continues for a time to grow larger and larger.

But there comes a stage, beyond the modal point in the income distribution, at which the numbers of households in each income bracket begin to fall. Builders will then be competing against the sellers of secondhand houses for the custom of a dwindling

market. They and the sellers of secondhand houses will have to cut their prices if they are to find buyers, and their transactions will eventually become so unprofitable that building will cease. Thereafter, the moves made by households in lower income groups will tail off towards the number permitted by the margin, if any, between the number of households disappearing (through deaths, doubling-up, moves to hospital, etc.) and the numbers of new households created as young people and others split off from existing households.

When prices drop to a point at which further building is checked, the collapse in demand will tend to spread up the quality range. People who cannot sell the houses they occupy for the price they hoped to get will be unable to buy a better one unless its price, too, is reduced. Lenders seeing a fall in the price of the houses which form the security for their loans will stop lending until the market hardens again.

This explanation of the workings of a free market has been based on the assumption that all houses are owner-occupied. But exactly the same forces operate in a market for rented housing. It is the *effectiveness* of the filtering process in the upper half of the income distribution which brings new building and further filtering to a halt in the lower half, well before they make an appreciable impact on the poorest households.

This is a model of a free market in which shacks and shanty towns can flourish: there is no control on the quality of new building. In the market we actually have, town planners and public health authorities impose minimum standards of density, day lighting, water supply, drainage and building materials which prohibit new building below a quality level that may be near — or even well above — the average for existing houses. These restrictions raise barriers to the filtering process that could only be surmounted if nearly every household that moved left a vacant space for others to move into. But there will always be a considerable proportion of moves which generate no subsequent move — for example, the newly formed household that splits off from another which expands to occupy the space left by its departing members, those whose previous house is demolished or abandoned, and the immigrants who leave space for moves in another country. At the lower end of the income dis-

tribution such cases may account for a rising proportion of all moves, thus throttling the filtering process more severely. The large inflow of migrants from other regions and other countries must have this effect in some Canadian cities.

Conclusion

It would plainly be absurd to say that the poor achieve no advance in housing standards from one generation to another. But while the distribution of incomes remains unequal, the poor are likely to fall further behind the advancing standards enjoyed by the bulk of the population unless the government intervenes to help them.

Recognition of this problem has brought governments into the market to promote and subsidize the building and improvement of houses. New initiatives of this kind have often been preceded by public debate in which the hardships of the worst housed are much quoted. But government has often in practice been more helpful to the middle- and upper-income groups than to the poorest.

Loans, grants and tax privileges of various kinds have been favourite devices for the promotion of housebuilding. Loans for housebuyers made at privileged rates of interest, guarantees that reduce lenders' risks, loans and grants to help people improve their property, tax relief on housebuyers' payments of interest, tax relief on the interest payments made to their lenders by the institutions which finance housebuilding, reductions in property taxes on new houses — these have been the procedures used. They are relatively easy to administer. The help they offer supplements the existing operations of the market and most of it can be distributed through existing market institutions. Powerful interests need not be disturbed, and the creation of new organizations, the imposition of new taxes, and the recruitment and training of new professions can be kept to a minimum or avoided altogether.

Because these policies rely on existing institutions they give most help to those who already know and use these institutions and to others almost rich enough to do so. They give little or no help to those whose incomes are too low or too insecure to

borrow, and too low to pay much in direct taxation. For a while these may be the right policies to follow. After the second world war, many European countries had to put shattered construction industries and demoralized lending institutions on their feet again. Practically everyone needed better housing urgently, and there was no point in drawing fine distinctions between the needs of different families none of whom had a decent home to live in. Governments' slender resources were directed to any point where they would serve to promote building and lending. But to continue these policies 20 years later, in societies now richer than anyone would have dared to imagine in the bleak aftermath of war, is to institutionalize and perpetuate discrimination against the poor.

Many governments have gone much further than this. They build and subsidize housing for those who live beyond the reach of the filtering process, and millions of people have been comfortably rehoused as a result. But these programs, too, had to start from priorities of some kind. The long-established local family, rooted in the district for generations, gained priority over newcomers. The family of tidy average size, with two parents and two or three children, gained priority over larger, smaller or less "regular" households. Veterans, for a while, gained priority over civilians. In Canada, the proportion of families on public assistance accepted in public housing is often restricted — however urgent their housing needs — lest they give the project a bad name. But such explicit discrimination against the poor is rare elsewhere.

In many countries these policies have enabled the skilled and well-established working class to secure a (possibly rather austere) rented version of the suburban housing being bought by the middle class. In some the poor are as badly housed as ever.

We assume too readily that democracy, plus education, plus rising productivity — the holy trinity of nineteenth century liberals — must in time produce justice for all. But democracy may only replace the domination of wealth with the domination of majorities, supported by electoral coalitions of middling economic and social character. And the opportunities offered by education and economic growth may enable the fleetest to

secure an even more commanding lead over the rest of the field. It is now technically possible for the richer countries to eliminate poverty. Whether it is politically possible for democracies to do so remains an open question.

HOUSING POLICY

The assumptions that form the starting point for this discussion of housing policy should already be clear. A nation's stock of housing grows and changes very slowly. Most people live in secondhand houses, and most of these houses will stand for a long time to come. Thus housing policy must deal first with the existing stock of houses, their distribution, use, maintenance and price. New houses, new towns and new departures in policy catch the imagination and the headlines, but they only affect small minorities of the people each year. The lags and leads in this field are longer than in any other branch of social policy, reaching far back into the past and far forward into the future.

The policy maker's job is to enable his country to make the best use of an inheritance, handed down from previous generations whose needs may have been very different from their successors', and to develop and extend that inheritance in ways which will enable others to adapt it again in due course. He is not dealing with a sector of the economy that can be treated in isolation from the rest of society; he is working at the central intersections of economic and social change, responding to these changes and helping to shape them. He is not creating a utopia, and he will never attain final solutions for the major problems he deals with. They are not that kind of problem. But he can make progress nonetheless.

This comprehensive approach to the policy maker's task, placing him at the centre of his country's development and asking him to take account of every aspect of the changing society in which he lives, is a relatively new thing. The real statesmen of social

policy have always had this synoptic vision of their responsibilities and opportunities. But the institutions and procedures with which the administrators of housing policy have to work — the tools of their trade — were created by legislators with more restricted vision, in response to urgent crises and sectional pressures, and in search of immediate social and electoral gains. It is worth briefly examining this inheritance and its origins before considering what can be made of it.

The roles of government

Governments have been led to intervene in the housing field for many different reasons. Public health authorities have tried to prevent overcrowding in the cities, to enforce better management of housing and to raise the standards of new building. Since the worst urban housing is generally built at high densities on potentially valuable sites, it is impossible for private developers to replace it unless they can use the land for new and more profitable purposes — preferably not for housing at all. If the people living in the slums are to gain anything from redevelopment, public authorities must build houses for them or pay someone else to do so.

Depressions and the unemployment they produced compelled governments to find ways of setting men to work. The building of houses often seemed a handy instrument for this purpose: the industry takes a lot of labour — much of it not too skilled — and it can be promoted in every corner of the country.

Transport authorities were given powers to acquire land and pull down the houses on it, first for railways and now for urban motorways. In many countries the service industries are now expanding faster than any other sector of the economy, and government is itself responsible for some of those that make the heaviest demands on urban land — education and health services, in particular. These departments of government impose further pressures on the housing market. Meanwhile other departments concerned with the welfare of particular groups and regions — veterans, defence production workers and farmers, for example — help their clients to improve their housing conditions in various ways.

War brings inflation which compels governments to impose temporary restrictions on rents which may be indefinitely prolonged into peacetime. The sharp increase in family formation that follows after wars and the political pressures exerted by returning veterans lead governments to offer all sorts of help to young people setting up home for the first time. These initiatives may develop into continuing programs of subsidized building and lending.

Other departments of government intervene more directly to house special groups. They build flats, hostels and homes for students, nurses, old people, deprived children, delinquents, discharged mental patients and others. Some of these people need special treatment or purpose-built housing. Others could find — and might prefer to find — housing of more normal kinds, if only it were available and they were able to pay for it.

Investment in housing has to find its way through the sieves interposed by the government's fiscal and town planning regulations. Certain forms of lending and borrowing get privileged treatment while others are taxed more heavily; certain land uses, densities and layouts are favoured by the planning authorities while others are forbidden. These policies and procedures may begin almost by accident, or for reasons quite unconnected with housing, but in time they go far to shape the structure of the housing market and to determine who gains most from it.

Governments then realize how extensive a set of economic regulators they have acquired and start using these levers to control the development of the whole economy — damping down demands for wage increases (with rent controls), increasing investment and promoting employment (by subsidizing building), restraining consumer demand (by raising rents), or shifting investment from the public to the private sector (by reducing some kinds of subsidy or increasing others).

At one time, ministers and officials in government departments with housing responsibilities looked forward to the day when the problems they were dealing with would be solved and they could extricate themselves altogether from the field, leaving public health authorities to control building standards and the market to produce and distribute all the housing the country needed. Now that government is inextricably entangled in the housing field, it

is faced with a new kind of choice. Shall housing policy be shaped by those whose work and responsibilities lie principally in this field? Or shall it be made — if only by default — by central banks and finance ministries which control the flows of credit, the rates of interest and the distribution of taxation; by health, town planning and highway authorities which exert so great an influence on patterns of urban growth, and by economic planning departments attempting to promote and regulate the development of the economy? Realizing this dilemma, people then ask for more positive and independent housing policies. "Housing", they say, "should be taken out of politics".

Towards a comprehensive commitment

But housing plays too central a part in the culture of an urban society and the evolution of its economy to be "taken out of politics" or insulated from the influence exerted by different branches of government. Ministries of Agriculture may have policies about pig farming or the amalgamation of small holdings, just as Ministries of Health and Welfare may have policies about ante-natal clinics or the control of drugs, which can be pursued with no more than occasional consultation with other departments of government. But "housing" is too big a sphere of responsibility to be cornered by one department, and it could not be dealt with effectively if it was. Housing policies are a matter for governments as a whole, and many departments and levels of government — federal, provincial and local — must play a part in formulating and implementing them. The task is a complex and continually changing one which each country must pursue in ways that suit its own needs and resources. But the main headings of the agenda can be listed.

a) The nation's housing requirements must be examined in a comprehensive fashion, looking well ahead to the future and taking account of the behaviour of all social groups (the rich acquiring a second house and students renting single rooms, as well as poor families seeking a self-contained home) and of all regions (rural areas as well as towns). Estimates of requirements that neglect large groups and regions are likely to be upset when those excluded from the calculation behave in unforeseen ways, taking houses, loans or other resources that were expected to be

available for others. Such projections should be based partly on demographic data (marriages, deaths, migration, etc.), partly on economic data (industrial growth and urbanization, the distribution of incomes, the elasticities of demand for housing, etc.) and partly on other trends (the implications of growth in higher education and transport, the demolition or improvement of obsolete housing, changes in tastes and fashions, and so on). It is essential to relate these factors to each other. For example, the demand schedules for housing differ considerably among different age groups, and a change in demographic structure will therefore affect the demand for housing. Policy statements often set targets for housebuilding in bold, round numbers, but more valuable are projections showing various alternatives, each meeting a different volume and mix of needs. National targets will not be realistic unless they are based on regional and local projections.

b) The resources for meeting housing requirements must be examined in equally comprehensive fashion, taking account of existing housing and the additions, conversions and demolitions expected over a considerable period of time. Forecasts that deal only with new building or with building sponsored or subsidized by government are likely to prove misleading. In advanced economies, unplanned private conversions and demolitions may proceed on a big scale, reducing the net increase in dwellings achieved over a decade to a figure at least 30 per cent lower than the gross output of new dwellings. In a country the size of Canada, flows of credit must be forecast on a regional scale, and so must estimates of the labour and materials required to sustain a given program of building: the building industry deals in heavy components and scarce labour which cannot easily be moved long distances. It must be remembered that the output of the building industry and the flow of credit to sustain it will both depend heavily on the government's own intentions and the conviction with which these are conveyed to the nation. Unless they can rely on an assured demand, predictable in technical as well as quantitative terms, builders and lenders will operate well behind the demands of the market and add large margins to their prices to cover risks.

c) The government cannot ensure a large and predictable demand for housing unless it secures effective control of a sufficiently large volume of small savings available for investment in this field. In the countries which have gone furthest in planning their housing programs these savings generally come from several different sources. The government's own contribution to the flow need not be large, but it is made at crucial points in the system which determine the volume of other savings actually taken up, year by year, for investment in housing.

d) The government must also have other means for regulating the output of housing and the geographical distribution of building. It cannot do this without an up-to-date knowledge of the changing regional patterns of migration, employment and incomes. Controls on the flow of credit are a blunt and ineffective instrument for controlling investment in building: they take so long to make an impact that the flow of building "starts" is apt to be accelerated or braked just when the opposite effect is wanted. More direct controls are needed, and they should cover all forms of building. If the government can only control the output of the houses it builds itself, building in the public sector will be repeatedly disrupted — and therefore needlessly expensive — and the smaller the public sector the more savagely must the brake or the accelerator be applied to produce the desired effect.

e) If new building is to meet the requirements incorporated in a housing program, the government must give some guidance about the types and standards of housing to be built, and ensure an effective demand for it among those for whom it is intended. Builders and lenders are as confined by tradition and as reluctant to take risks as other men. If the institutions and procedures they are familiar with have been successful in meeting certain types of demand (that of the young family with a reasonably secure income, for example) they will be reluctant to look elsewhere. If demands from those they are accustomed to serve fall off, they may invest in commercial buildings or in consumer credit financing, rather than concern themselves with meeting the needs for which the government's program was designed.

f) In areas of shortage, where opportunities for employment have run far ahead of the opportunities for securing a house, government must exert some influence on the distribution of the

existing stock of houses. Some governments have gone a long way towards ensuring that the poorest people in such areas are not intolerably squeezed. They have acquired and allocated a considerable share of housing in these areas, they have imposed minimum as well as maximum crowding regulations (to avoid wasteful use of the available accommodation), and they have redistributed income to enable larger and poorer families and other chosen groups to compete more effectively in the market. Many have found it necessary to regulate private rents and give tenants considerable security of tenure in their efforts to cope with these problems.

g) The stresses that build up in these areas are due to the growing concentration of employment in metropolitan regions and the failure of their housing markets to provide for all who therefore seek to live in them. The tendency to concentration cannot be reversed but a great deal can be done to ease the hardship it causes by building for those whom the market neglects, by moving some industries and their workers out, by fostering counterbalancing centres of growth, and by improving communications. This is the point at which policies for housing must be linked to policies for economic planning and regional development.

h) Modernization and replacement of obsolete housing may occur on a considerable scale under normal market conditions, but they will seldom eliminate the worst housing and will never rehouse the poorest families. These tasks therefore fall to governments which generally begin by treating slum conditions as a temporary problem that can be completely done away with and thenceforth forgotten. But the obsolescence of housing, as of any other capital asset, is a continuing process calling for equally continuous procedures for depreciation and replacement.

i) These problems cannot be effectively tackled by governments which have no effective control of land uses and land prices. There must be effective procedures for assembling a continuous flow of sites for development and redevelopment, otherwise attempts to acquire and demolish obsolete property or to impose higher standards of building and urban design will be repeatedly frustrated by rising land prices. Some profit must be made from urban development, otherwise it will be brought to a halt. Means must be found for giving the buyers and the sellers of land a share

of this profit, while ensuring that a large share also goes to the community to improve and replace the social capital of its towns.

j) If the industries that play a part in building and maintaining houses are given an assured and predictable demand for their output, they should work more efficiently as time goes by. The price of a new house is unlikely to fall (for that depends on the share of their incomes that people are prepared to devote to their housing) but its quality should improve. Governments adopting the most comprehensive housing policies have given increasing attention to the technical progress of the building industry, and the training and terms of service of its workers. As the man-hours needed to put up a new house are reduced, attention turns to repair and maintenance work. It must not be forgotten that this work typically employs about half as much labour as the work of new building, and directly affects a larger proportion of householders year by year.

k) This list of responsibilities cannot be carried effectively unless the government is constantly informed about the economic and social development of the country, armed with long-term forecasts of future requirements and the resources for meeting them, and briefed by officials familiar with current research in a wide variety of technical and social fields. The organization of research and intelligence services is an integral part of a comprehensive housing program.

Conclusion

This agenda for policy makers omits many important aspects of a housing program: the general principles of subsidy and rent policies, the management of public housing, architectural design and layout, the tactics of urban renewal, the resettlement of families uprooted by slum clearance, the special needs of ethnic and other minorities — none of these issues has been touched on. The purpose of this agenda is to identify the major groups of problems confronting a government that embarks on a comprehensive housing program, and to show how one group of problems is linked to another and why all must be tackled together.

What governments actually *do* — what priorities they adopt and how they pursue their objectives — is another matter. One

may commit itself to a rapid expansion of the housing stock, another may give higher priority to the replacement of old housing, another may restrict investment in housing and devote resources to other sectors of the economy instead. The kinds of people whose housing is given priority will also vary: young families, old people, immigrants, veterans, city or country people may be favoured in different places or at different times according to the economic and social needs of the country and the government's interpretation of these needs. But whatever the objectives of their housing policies, governments will realize them more effectively if they attend to the problems posed in this agenda and relate the solutions to each other.

Governments have an equally wide choice of instruments for the attainment of these objectives. Some build or finance the building of most of the houses that go up. Others, with equally highly developed housing policies, build and own few houses or none at all. Public funds for housing may be channelled through municipal authorities, non-profit-making housing associations or private builders, or paid direct to householders. Elsewhere, governments have so firm a control over the investment of private funds that less public money is required for the housing program. In some countries all the land is publicly owned; in others the government says it can do what it likes with land provided it is *not* publicly owned (the Ministry of Education is harder to dispossess than a private landowner — the Ministry of Defence harder still).

Some of the biggest political battles of the age have been fought over issues such as the public ownership of land, housing and industry, and the nationalization of credit and development rights. But public ownership solves nothing by itself; it only poses the old problems in new ways, easier to solve in some respects, but harder in others. What matters most is not ownership, but control, leadership and the uses to which they are put. Is government capable of thinking about the requirements of the whole population? Does it know what these requirements are and what resources the country has to meet them? Can it co-ordinate the different sectors of the economy that must play a part in implementing its policies? Is it prepared to commit itself resolutely to objectives that people find convincing?

In various ways and for various purposes governments in many countries are now moving towards the comprehensive patterns of housing policy I have outlined. Progress in this direction is not continuous or inevitable. It is due partly to growing confidence in the capacity of government to plan and sustain economic growth. Since the building industry plays so large a part in the economy and payments connected with housing account for so large a share of personal saving and expenditure, the economic planners find they have to invent a housing policy of some kind if the government does not have one.

But the most compelling pressures in this field are political. The home, and all that goes with it, lies at the centre of the opportunities and hopes that have been glimpsed by everyone in the urban, industrial countries. Governments, if they are to retain power, find they must enable people to attain the sort of homes they want. Once they begin thinking of the needs of all their citizens, and of all the resources that can be mobilized to meet them, they are led in due course to consider the rest of the agenda too.

IMPLICATIONS FOR CANADA

The brief survey of housing needs and policy issues in earlier sections of this paper was couched in general terms that could be applied to many advanced market economies. But this country has special needs and traditions which must be borne in mind by anyone who would understand its problems and the options open to it.

The vast area and scattered settlements of Canada, her economic, climatic and cultural variety and her federal constitution mean there can be no single system of housing policies, programs and procedures for this country. There can be common aims and a sharing of ideas and resources, but there must be great variety in practice.

The size and variety of their country — and a certain suspicion, perhaps, of efficient government — have given Canadians a mass of public authorities: authorities divided horizontally into different layers (local, provincial and federal) and vertically between different functions (education, health, housing, and so on), different religious denominations (separate and public schools) and different degrees of public accountability (with many independent agencies relying to varying degrees on public funds and powers). As a result, Canadians are more governed than any other people. There may be virtues in this principle of “divide and be not ruled”, but it poses great difficulties for anyone seeking decisive action on housing, for anyone trying to link housing policies closely to policies for economic and physical planning, welfare, income distribution and other spheres of gov-

ernment — or, indeed, for anyone seeking an authority capable of giving general and effective leadership in the housing field.

Their wide open spaces, so envied by the crowded countries of Europe, may have spared Canadians a certain amount of hard thinking about land problems, and public powers for acquiring land and controlling the uses to which it is put.

In a country whose people are proud of their independence, rented housing is generally regarded as second best, public ownership as an occasionally necessary evil, and home ownership as the ideal. Here, as elsewhere, public funds contribute an increasingly important share of investment in housing. But it is to the housebuyers — and particularly the buyers of new houses — that most of these funds go.

House purchase is particularly well suited to Canadian needs. Land, nationally speaking, is plentiful; the building industry and the materials it uses are well adapted to producing the kind of houses the owner-occupier wants; and Canada, being a young country with a high marriage rate, has many families at a stage at which they need a home of their own and are prepared to make heavy sacrifices to get one. Meanwhile, foreigners provide so large a proportion of the investment needed for rapidly growing industries that Canadian savings can be readily mobilized for investment in housing.

Despite the ambivalent feelings of Canadians toward government, their public services have recruited some very able people. The civil service here made earlier and better use of graduates trained in economics and the social sciences than the civil services of most European countries. But the scope for planning the economic development of so large a federal country is inevitably limited. The attention of planners has been devoted to fostering the growth of regional economies rather than to more comprehensive forms of planning or to the redistributions of income that may be needed for housing.

Public concern about housing conditions in Canada rises to urgent pitch from time to time, but tends to relapse again during the intervening decades. We are once again on the upswing of this cycle. Each time political pressures are mobilized for action in this field the plight of the poor and the worst housed is much discussed. Collective action follows, giving government

a larger role to play. But it is the middle and upper income groups that benefit most from collectivism; the benefits of the free market are reserved for the poor.

To these lasting features of the Canadian scene have recently been added new concerns, some of them more ephemeral. More and more young, single and elderly people are looking for separate homes. Married couples with dependent children living at home are now a large but dwindling minority of the nation's households. The growing number of "non-family" households to be housed have very varied needs and resources. The government — typically exposing the most fortunate first to the dangers of collectivism — has taken the initiative in housing students. But there are many other non-family households whose needs are equally urgent.

There is growing concern about a number of problems — about poverty, about the needs of urban and rural minorities who are excluded from the opportunities secured by the bulk of the population, and about urban renewal and the rebuilding of obsolete houses and neighbourhoods. These problems extend well beyond the housing field, but none can be resolved unless action is taken on housing, in close conjunction with action to meet other human needs.

A recent recession in building and a continuing rise in land prices and a fall in vacancies impose increasing hardships on the poorest people. Policies and procedures which have sufficed till now are seen to be failing. New thinking is in the air. The Canadian Conference on Housing, 1968, was an endeavour to bring that thinking to bear on the ground.

Agenda for action

Any serious attempt to meet the needs of the worst housed people and to eliminate the worst housing must begin with redistributions of income which enable the poorest to pay more for their housing and compete more successfully in the market. There is no single route to this objective. More and better jobs, an attack on seasonal unemployment, retraining for those with obsolete skills, higher pensions, more money for the larger and poorer families — all these are part of the essential groundwork for a housing policy. Without them, bad housing conditions

can be shifted around but will not be eliminated. Redistribution may be needed on a regional scale, too. If Canadians east of the Ottawa River have incomes lower than those to the west, this is bound to be reflected in their housing conditions.

The quality and price of housing will always vary greatly: some of it will be new or in areas where demand is keen; much of it will be old. If poorer families are to find decent housing in places where prices are driven up by scarcity, there must also be subsidies for the household which are related to the price they pay for housing. General redistributions, brought about by measures such as family allowances and old age pensions, are not enough.

In Canada it has sometimes been said that any increase in the incomes of poorer households which is spent on housing tends to drive up rents. It has also been a rule in many places that the families in public housing must not include too many on public assistance. But there are always two ways of setting right an imbalance between supply and demand: if poor families are given more money, or other means of getting housing, steps must be taken to ensure that the supply keeps pace with their growing demands.

Government help for the housebuyer should plainly continue since it accords so well with Canadian needs, but its distribution should be thought about more carefully. A policy that gave more help to buyers with lower incomes and less to those with larger incomes might achieve a fairer and more efficient use of the public funds invested in this sector of the housing market.

The provision of housing for single and elderly people, and the renewal or rebuilding of decayed quarters of the cities will call for more rented housing, public and private. It will also require conversion and improvement on a large scale, and hence may call for loans and grants to help people buy and modernize older housing. None of these developments presents insoluble problems (loans for buying older houses are already offered under the National Housing Act, though they are not widely used) but they will need careful planning because they diverge from the patterns most familiar in Canada.

The continuing rise in land prices could go far to frustrate the efforts of government to raise housing standards. None of

the market economies claims to have solved the problems of urban land pricing. Growing populations, better housing standards and the increasing concentration of employment in great urban regions are producing insatiable demands for building land. It is by increasing the supply of sites rather than controlling their price that the best progress is likely to be made. In some countries, municipal authorities acquire land well in advance of their needs and lease it to private developers. In others, the state acquires the land in large blocks under compulsory powers, puts in the roads, drains, gas and electricity services, and sells sites back at a price that covers these costs, making its first offers to those from whom the land was acquired. Elsewhere, services are built into the land when it is thought to be ripe for development, and the owners are then taxed at the higher rate appropriate for built-up land to persuade them to build or to sell to others who will. In Britain a Land Commission has been set up with powers of compulsory purchase to enable it to build up a reserve of land that can be sold again when it is ready for development or redevelopment. The tax imposed on all profits made in land transactions is returned to the commission when levied on its own transactions. It should thus in time accumulate a fund that can either be invested in fresh purchases or used to subsidize desirable but less profitable features of new development. Meanwhile increasingly determined efforts are made in many countries to control and redistribute the demand for land by moving jobs and people out of the largest and most crowded cities to new or expanding towns with more room for growth. All these policies call for a large initial investment by government, but thereafter they generally cover their costs or make a profit.

Progress in dealing with these and other problems will not be sustained unless government, and those who debate and criticize its policies, are regularly supplied with reliable information about housing needs and the economic and social trends underlying them. Hence a continuing program of research is an essential part of a comprehensive housing policy. Though Canadian statistics are better than most, too little is known about demographic trends and the rate at which households form in different groups of the population, about the elasticities of demand for housing in different income groups and the effects

on each of changes in income expectations, about the housing conditions of particularly vulnerable groups and their relationship to the health, educational attainments and general welfare of the same groups.

I shall conclude with just one more plea, and it is perhaps the most important lesson to be learnt from this analysis.

In a field so central to the nation's economic and social evolution, effective policies call for a comprehensive understanding of the state of the nation and close collaboration between different departments and levels of government — federal, provincial and local. Planning on this scale begins when people are determined to achieve things which cannot be done under present arrangements. It starts from the mobilization of a political consensus which leads governments to commit themselves to objectives more ambitious than hitherto. Such mobilizations occur more or less spontaneously about once in a generation. But governments cannot respond effectively to them or overcome unforeseen difficulties and setbacks and maintain their impetus unless departments are organized and linked at each level of government to assume a general responsibility for housing, to do the thinking that will produce creative responses to the recurring dilemmas of housing policy, and to form a focal point for a continuing movement for better housing.

Canadian Housing Policies

Dr. Albert Rose, Director
University of Toronto School of Social Work

ESSENTIAL ELEMENTS OF A CANADIAN HOUSING POLICY

In recent years there has been much confusion about the concept of "housing policy". The most serious and most frequent charge to be levelled, particularly against the federal government, is that there is no national housing policy. For some critics the determination of policy requires merely the enunciation of a particular course of action. For others, a particular course of action does not deserve the name of "policy" unless it is "pursued", that is, actively implemented by that government or several levels of government acting together.

It is difficult for the student of housing affairs to decide when a government proposal or apparent course of action really represents policy or is merely a palliative or pronouncement behind which there is no particular conviction. During the past 30 years it has been alleged by many social scientists, politicians, and others that the solution to Canada's housing dilemmas may fairly be described as "housing by headline". During this period, it is alleged, there have been far more pronouncements, newspaper articles, press releases, and other indications of concern and potential action than there have been specific government actions to meet our housing needs. In all of these charges and countercharges and allegations of buck-passing from one level of government to another, the tremendous progress since 1938-39 tends to be ignored; hence the limits and scope of a housing policy become obscured.

The most important background fact for housing in Canada is undeniably that ours is a federal state. Our constitution

provides for a federal government with certain specific functions and a second tier of provincial governments with other specific functions. Residual powers are left with the federal government. In fact, the government of Canada can legislate in any national emergency "for the peace, order, and good government" of all Canadians. In deciding a matter of policy, the first essential must be to determine where the constitutional responsibility lies. Once that legal interpretation is made clear and is accepted by the central government and the governments of the provinces, then, and only then, can the concept of "policy" begin to emerge.

In Canada the constitutional responsibility for the provision of housing has been assigned, by judicial interpretation, to the provinces under section 92 of the British North America Act. The assigning of responsibility does not necessarily result in the acceptance of responsibility by these governments. Therefore, when some writers have insisted in recent years that Canadian housing policy has changed drastically with the assumption of responsibility by the governments of the provinces, such an assertion can be strongly challenged.

The essentials in determination of a Canadian housing policy are legislation, financial resources, responsibility for initiating action, and appropriate administrative arrangements.

Legislation

The determination of a course of action to alleviate some aspect of the housing problem cannot take the form merely of a government pronouncement that action will be taken. Nor is it sufficient to suggest that the government favours a particular approach to the problem. Housing policy, as one definition suggests, requires a course of action adopted and pursued by a government — and that means at least the passage of legislation that enunciates specifically what the government is prepared to do about the problem. It might therefore be argued that there has been a national housing policy in Canada since 1935, when the Dominion Housing Act was passed. Since then there have been three major National Housing Acts passed — in 1938, 1944 and 1954

— and in 1964 there were a series of major amendments which transformed the legislation.

Federal legislation on housing is not very different from that of other federal legislation on matters of national interest in some field of economic and social affairs. In a federal country, a major piece of legislation must afford an opportunity for the governments of the provinces, if they have the constitutional responsibility, to participate actively in implementation of the planned course of action. These incentives may be as simple as the provision of financial resources provided the governments of the provinces pass enabling legislation permitting them to sign agreements with the federal government on the matter. It is more usual, however, for the federal government to pass legislation which enunciates its view of the problem and the potential solutions required to solve it. In addition, federal legislation customarily implies that certain standards of implementation and administration must be met if the provinces are to qualify for whatever federal assistance — technical, administrative, accounting, financial — is to be provided.

Moreover, in a country such as Canada, a major piece of federal legislation must provide an opportunity for every region to participate in the contemplated program. It should be possible for each region to develop, within appropriate limits, its own approach, consistent with its history and traditions, its tastes and preferences, and its view of its own special needs.

It is conceivable that a course of action may be enunciated by government without passage of specific legislation and that this declaration may be the expression of government policy. It is inconceivable, however, that policy can be implemented without the passage of legislation which makes it possible to pursue the prescribed action. Within the National Housing Acts passed since 1938 it is possible to discern the philosophy underlying government housing policy. The legislation and the written regulations really prescribe the beneficiaries for whom government action is intended and the conditions under which potential beneficiaries may, in fact, receive assistance. To this extent, therefore, legislation is not merely the legal

execution of constitutional responsibility but can be conceived as both the social and economic dimensions of housing.

Financial resources

The passage of laws is insufficient without the provision of money to implement the policies. Moreover, the actual amount of the government appropriations may be an indication of the intensity with which policy is meant to be implemented. Legislation is sometimes passed under pressure from citizens' groups, from business or trade associations, even from the elected representatives to other levels of government. But it may be the intention of the body which passes the legislation that it shall be merely a token acknowledgement of the need for government action. In Canada, unlike the United States, the passage of housing and other legislation is usually accompanied by some specific indication of the amount of money intended to achieve the objectives within the various sections of the act. For example, in both part I (housing for homeowners) and part II (section 22 — later part III, section 23) of the National Housing Act of 1944, specific amounts of money, namely, \$300 million (1949) and \$250 million (1953), were specified as available for these particular portions. As time passed, these amounts were amended and when the National Housing Act of 1954 was passed, the amounts available were altered in response to changing legislation and increased demand. Therefore, there is no need in Canada for additional pressure to be brought, once the legislation is passed, to ensure that the appropriation is voted. Rather, the more serious concern is to ensure that the monies available and specified within the legislation are, in fact, spent. This assurance often requires intense pressure upon one level of government to convince its officials and, indeed, force them to develop programs for which the funds are apparently available through a "higher" level of government.

It would appear that the enunciation of a course of action by governments has been accompanied by a specific appropriation of funds for the various programs possible within the new laws. This is not to suggest, however, that the amounts of money provided have been sufficient. In that aspect of Canadian

federal housing legislation which is intended to encourage the assumption of home ownership through the provision of more generous mortgage terms than are available in the open market, government policy appears to have shifted during the post-war period from direct intervention (in the provision of a portion of the mortgage loans themselves) to more indirect intervention (through the guaranteed repayment of such loans if potential owners should default). As simple as this may seem, housing policy in Canada has been more evident in the field of mortgage financing of home ownership than in any other respect.

In the years following passage of the National Housing Act of 1944 and through most of the ensuing decade, part I of the act provided that the government of Canada would provide 25 per cent of the capital amount of an approved NHA mortgage loan at relatively low interest, namely, 3 per cent. The effect of this specific action has had so many important ramifications in our postwar housing experience that even today the full impact can scarcely be measured fully. Clearly, it was the policy of the central government to encourage the assumption of home ownership, in new construction only, through a program which resulted in the lowest first-mortgage interest rates in our history. This was formed by not one but two forms of subsidy: direct lending of funds provided by the general taxpayer to several hundreds of thousands of privileged families, and the provision of such funds at an artificially reduced rate of interest.

Although it occupied only one short part of the federal legislation, a consequence of this set of policies was clearly the expansion of vast suburban areas adjacent to every medium-sized and large urban centre. The problems that have ensued, both for the governments and residents of suburban areas and the governments and residents of central cities which did not directly benefit from this encouragement to home ownership, are immeasurable. This is not the place to develop an adequate assessment of the pros and cons of this aspect of policy, and one must refrain from ascribing all forms of urban distress and all negative aspects of urban living to one specific set of policies. On the other hand, it is

not sufficient for those who have defended such policies to argue that, in the long run, a vast growth of urban population resulted in an expansion of metropolitan economic development inconceivable in the years immediately after the end of the war. It can surely be argued that this is a case where housing policy in effect took over the responsibility of urban planning, in this case suburban planning, which has been the source of so much distress to social, economic and planning analysts.

At this point in the argument, the key aspect of the situation in the first postwar decade is that the financial resources were, indeed, made available. As total Canadian population expanded and urbanization progressed rapidly, it became apparent early in the 1950's that the policy of stimulating home ownership — in itself the advancement of a group of values which represented the collective judgment of elected and appointed officials — could no longer be supported with available government revenues. In rewriting the National Housing Act in 1953-54, the government's decision to discontinue direct participation in mortgage lending at a subsidized rate of interest was no surprise to students of the subject at that time. The new legislation permitted the chartered banks to enter the mortgage field insofar as National Housing Act operations were concerned. In fact, the banks were formally advised that they must share in the provision of required financial resources. In order to enable a conservative banking system to participate in the pursuit of a course of action prescribed by government, a system of mortgage loan guarantees was instituted and, as is often the case, the ultimate consumer (in this case the homebuyer) would provide the insurance premiums, in the form of a fee amounting to 2 per cent of the purchase price. (*Since reduced to 1 per cent in 1969 — Ed.*)

Appropriate initiatives

The pursuit of a course of action (the implementation of policy) must begin somewhere. A statement of housing policy backed up by legislative and financial guarantees is by no means equivalent to the implementation of a policy unless someone takes the initiative. It has been stated many times

that housing legislation in Canada is as good as that in any other Western nation. There is no reason to challenge this contention because such an argument would be fruitless. The real test of housing policy is its translation into the provision of adequate physical and social space occupied by individuals or families who are in need of such accommodation. The failure of such housing policy, when and if it could be judged that a particular course of action had failed, is more properly laid to lack of initiative than to lack of resources.

It was therefore fitting that in discussing the proposed 1949 amendments to the National Housing Act, which were to introduce Canada for the first time to the field of public housing for low-income families, the then federal Minister of Resources and Development should stress that the new legislation could only be implemented through local initiative. The minister made it clear that those forms of government which were allegedly closest to the tangible needs of people must take steps to meet those needs. The relationships emphasized by federal officials were, of course, federal-provincial relations.

Despite the triteness of the phrase, the municipalities are in fact the creatures of the provincial governments. Barring the extraordinary powers available during a wartime emergency, the federal government has no constitutional right to negotiate directly with local government. It was made clear, therefore, when section 35 of the act was before parliament in November 1949, that the federal-provincial agreements envisaged in this amendment depended upon local initiative. The amount of financial responsibility placed upon local governments was a matter for the provincial governments, after they chose to participate in the newly conceived federal-provincial partnership. Some provinces (Alberta, Quebec, and Prince Edward Island) did not choose to participate for nearly 15 years.

Canada's housing history during the ensuing decade, the 1950's, as far as direct public intervention is concerned, can be explained in terms of the existence or non-existence of local initiatives in pressing for public participation in the available legislative and financial programs. Local initiative, of course, is subject to many and varied interpretations. It is sometimes regarded as a purely voluntary effort on the part of private

citizens and voluntary organizations directed towards influencing one or more levels of government to take appropriate action. This conception of local initiative is far too narrow. In Halifax, for example, where a substantial public housing program was mounted during the 1950's, the most important initiators have consistently been the mayor and elected councillors. At the same time, these officials were advised by a competent city manager. Perhaps this form of local government provides a structure in which the city manager, convinced of the need for urban renewal, including an appropriate housing program, can draw more clearly to the attention of elected officials the needs of the community and its citizens. Initiation in Toronto, however, has been less evident among elected and appointed officials but has been to a substantial degree the product of pressure mounted by voluntary community organizations, such as the Citizens Housing and Planning Association from 1944 to 1949, the Metropolitan Toronto Branch of the Community Planning Association of Canada from 1948 to the present, the Association of Women Electors, and other groups.

Each of these experiences can be justifiably described as local initiatives. The legislative arrangements require of the local community a clear recognition of need and of the desire for public assumption of responsibility to provide housing accommodation for low-income groups. This would seem to be an appropriate line of expectation, that is, from the local expression of human need to those levels of government where the legislative and financial resources have been provided. The alternative approach, from government bodies down toward the neighbourhood or local community, is surely a paternalistic one — an approach, moreover, that could fail to recognize the different housing requirements from community to community, and from region to region.

It must be recognized, of course, that what is called local initiative, whether citizen-based or council-based, can only flourish under certain favourable conditions. In a situation where a provincial government has decided, for whatever reason, that it does not consider the field of housing as one of relatively high priority among all of its competing responsibilities,

the atmosphere in which local initiative can develop is restricted. In Nova Scotia and Ontario it was obvious that there was at least some recognition of the potential of the federal-provincial partnership inaugurated in November 1949. Although the line from local initiative to provincial acceptance of need, to the development of a federal-provincial agreement on the construction of "houses for sale or for rent" in any Ontario community, was not smooth and uninterrupted, the general climate was favourable. In general it can be argued that this was also the case in Newfoundland and to some extent in British Columbia. In certain other provinces, Alberta and Manitoba, for example, the situation was quite different; and in Quebec, of course, entirely different.

In certain provinces, as previously indicated, the required enabling legislation following the 1949 amendments was not even enacted. In other provinces where enabling legislation was passed, unusually difficult financial requirements were prescribed, which effectively curtailed the nurturing of local initiatives in the development of housing programs. In those provinces where all or most of the 25 per cent provincial share of capital requirements and operating subsidies was passed on to the local municipality, such arrangements could hardly be regarded as "the pursuit of a course of action". A detailed assessment of the experience in the 1950's from province to province is beyond the scope of this paper, but it can be stated fairly that whatever progress occurred, both physical and social, was closely related to the climate in which voluntary and public initiatives at the local community level were fostered in some provinces or hampered to the point of discouragement in others.

Effective administrative arrangements

Even where it can be assumed that all of the previously considered essentials of a national housing policy — legislation, financial resources, local initiative — were present and flowed smoothly toward the announced objectives, there was always the danger of long and frustrating delays and even the abandonment of specific programs because of the lack of administrative arrangements, both of structure and personnel.

In the early years after World War II, most of the provinces were ill-equipped to deal with the problems of urbanization, including housing, community planning, urban renewal, and the like.

Most provinces did not have appropriate community planning legislation on the books; most did not have appropriate legislation on housing development; most did not have any clearly defined locus of responsibility within the departmental structure where new programs could be lodged. In Ontario the entire field was the responsibility of two branches of the then Department of Planning and Development, first created in 1946. The Housing Branch was responsible for the administration of provincial legislation, such as the Housing Development Act 1948, and was soon assigned the role of provincial agent in the emerging federal-provincial partnership after 1949. The responsibilities of local governments in the field of community planning were administered through the Community Planning Branch of the same department. Both of these branches were relatively new, modestly staffed, modestly financed and groping their way to an understanding of the problems for which they were responsible and trying to devise administrative techniques for meeting them. Most other Canadian provinces were by no means as well equipped as Ontario to deal with the rapid expansion of urban areas after 1945.

The development of effective administrative arrangements cannot be conceived merely as a problem in government administration in the sense of allocation of responsibilities on organization charts. There has been an equally naïve assumption on the part of the protagonists of public intervention, as well as of certain government officials, who believe that the administration of housing programs is fairly straightforward. The fact is that in the first decade following the end of the war there were very few people in Canada who had any experience whatsoever in the administration of public housing programs, and in the general field of housing itself such experience as existed was derived from the management of property administered by trust companies and a few owners of large numbers of multiple dwellings. After 1945 Central Mortgage and Housing Corporation was able to build up a substantial

staff of well-trained and experienced personnel, because its main activities were in the fields of mortgage financing. Only gradually did the corporation acquire staff members who were interested in and knowledgeable about the disciplines of community planning, architecture, and social welfare.

Within the public services of the provinces there were few with experience in the development of intergovernment programs. Moreover, there were no substantial provincial housing organizations before the inauguration of the Ontario Housing Corporation in 1964. Thus it was not possible to offer prospective public servants a clear and substantial career opportunity in the field of public housing. All across Canada there were not more than two dozen full-time jobs, outside Central Mortgage and Housing Corporation, in this field, exclusive of clerical and maintenance staff.

The administration of public housing requires far more than the experience of a collector of rents or a supervisor of property maintenance. Those who administer dwellings for individuals or families who qualify by virtue of low income, grossly inadequate current housing accommodation, some physical or emotional disability, large family size, or any combination of these several attributes must be persons who have a clear understanding of both the objectives of the housing programs and of the culture of the families and individuals most likely to inhabit them.

There are basically two schools of thought on public housing accommodation. In one approach it is argued that the family requiring public housing is simply unable, for one reason or another, to earn the income necessary to acquire housing in the private market. These people are, as it were, "a bit down on their luck", or the father lacks education or skill. The second approach is that public housing should be viewed primarily as assistance to the very poor — who may be elderly persons, families headed by a chronically ill or handicapped father, or families where there is no male head. Many people believe that public housing should be restricted to this latter group. But there is no essential reason why the two approaches cannot be blended. Public housing should be available for that portion of income receivers who

are self-supporting but whose incomes are simply insufficient in the private housing market, and for a certain proportion of very poor families. The critical factor is the blending of independent and dependent families within housing projects or neighbourhoods so that children may develop in an environment in which gross poverty is not the most distinctive characteristic.

It is not true that lower class families are, generally speaking, no different from families who are middle or upper class. Although not every individual or family is a part of the culture, there is a definite culture among lower class families in Western urban industrial nations. Such individuals and families have a different set of values, a different set of relationships between members of the opposite sex, a different method of relating to and disciplining children, a different attitude towards work and towards many other values commonly held by members of the middle class. At the same time, many of the values and environmental circumstances which provide satisfactions and a cultural framework to the poor are found in so-called slum, blighted, or urban renewal areas. The removal of these families from such areas and their relocation in public housing projects does not necessarily solve many, or any, of their social and economic problems.

There is not yet any course at the university or technological college level in Canada designed to train housing administrators. When the largest federal-provincial housing authority in Canada (largest in terms of the number of dwelling units under administration), the Metropolitan Toronto Housing Authority, advertised for "housing administrators" in the spring of 1956 it received many more applications than it had anticipated. For the most part, however, these applications came from persons already established in fields such as real estate, life insurance, property management within lending institutions, and from public servants who were not pleased with their progress in other fields of government activity. Only a few of the applicants appeared to have any understanding of what was involved in the administration of housing provided under government auspices. Some of these latter individuals had come

to Canada following experience in local housing authorities in the United Kingdom, Hong Kong, and other parts of the British Commonwealth. There is an urgent need for training programs to develop the large numbers of persons now required in housing administration.

HOUSING POLICY IN CANADA 1940-1968

Canadian housing policy emerged as a consequence of the depressed economic activity of the 1930's and the onset of the Second World War. There is, of course, some difference of opinion on the most appropriate date from which to build an analysis. The year 1929 is a favourite choice of many writers, for obvious reasons. In my view, however, 1941 is the date from which most of the mid-twentieth century programs of Canada and the United States can be appropriately measured. As the war effort accelerated, Canada was approaching full employment. In the fall of that year prices of all goods and services, including rentals of housing accommodation, had advanced to the point where the federal government felt it necessary to impose controls under its wartime emergency legislation — controls over prices, wages, rents, the allocation of materials, etc.

By 1941 the federal government had also taken several significant steps which, in retrospect, are early evidence of the assumption of government responsibility in the housing field. Although the first National Housing Act had been passed in 1938, the opportunities for homebuilding were cut off by the onset of the Second World War. It is significant, therefore, that a crown corporation, Wartime Housing Limited, was created in 1941 by Order-in-Council to provide the housing urgently required in many urban centres to accommodate workers attracted by the government's call to work in wartime industries. Wartime Housing Limited can be seen now as a rudimentary federal housing agency, one of whose main tasks was direct negotiation with the elected and appointed officials of municipal governments. These negotiations produced a total of 45,930 dwelling units with an investment of

\$253,689,000 during the next eight years. Nearly 30 years later most of the housing developed by this corporation remains in use in or adjacent to our cities.

Whatever its strengths and deficiencies, rent control as a facet of housing policy did represent an important federal intervention in the housing market not previously known in Canada. Its main significance was a recognition that the demand for scarce housing accommodation would continue to exceed the available supply during the period of the war and probably thereafter. All the evidence in other countries pointed to the depressing effect that rent control would have upon the possible expansion of the supply of housing, but during the war the probability of any real expansion in the housing stock seemed quite remote. Rent controls did continue into the postwar years and in some municipalities were retained, in whole or in part, until the late 1940's.

The government of Canada passed the second National Housing Act in 1944, a much expanded and relatively comprehensive piece of legislation by contrast with the legislation of the immediate postwar period. In retrospect, the act appears like a declaration of faith in the nation's future in which housing policies would play a large role in postwar readjustment. In fact, the legislation did follow a major report of a special committee on postwar reconstruction known, after Professor Clifford Curtis of Queen's University (its chairman), as the Curtis Committee. The Curtis Report, published in 1944, called for a recognition of the role of government, primarily that of the federal government, in the housing field, particularly in the provision of housing for small-income families. This report, which followed Canada's charter for postwar social security (the Marsh Report of 1943), was a milestone in the enunciation of potential assumption of social responsibility by government. It must be reiterated that in the early months of 1944 the war was far from won, and it seems remarkable that the parliament of Canada would enact legislation which, on the face of it, might appear premature. The preamble of the National Housing Act of 1944, however, pinpoints the rationale for the legislation. The act is described as "An Act to Promote the Construction of New Houses, the Repair and Modernization of Existing Houses, the Improvement of Housing and Living Conditions, and the Expansion of Employment in the

Postwar Period". The emphasis on "the expansion of employment in the postwar period" makes it clear that the fundamental intention of the legislation was more economic — in terms of the avoidance of a postwar depression akin to that of 1919-21 — than social, that is, a concern with the well-being of all Canadians in terms of their housing requirements.

In the spring of 1945 the final link in this chain of future government organization for housing development was forged with the passage of the Central Mortgage and Housing Corporation Act. This act created a federal housing agency in the form of a wholly owned crown corporation, which was to administer the National Housing Act and thus the housing policy and program of the government of Canada. The federal machinery for postwar housing expansion was complete.

Within the next five or six years Central Mortgage and Housing Corporation was to absorb or supersede all of the lesser agencies created during the wartime emergency, including Wartime Housing Limited. The new agency, headed by a president and a vice-president and supported by a board of directors appointed by the government of Canada, had all the attributes of a well-run business corporation and was designed to hide the potential iron fist of government intervention with the velvet glove of respectability and even financial profit. On this latter score the corporation has never disappointed the financial community.

Intergovernment relations

Several important factors combined during the six years following the end of the war to strengthen the federal role. The first of these was the creation of CMHC to administer the National Housing Act. Equally significant were the emergency powers granted to the government in wartime and continued in substantial measure throughout the early postwar years. A shortage of consumer durable goods, building materials, steel, rubber, petroleum and other products vital to the growth of the national economy made it essential to continue certain wartime emergency powers and specific government agencies. The significance of this second factor for intergovernment relations in housing was simply a postwar continuation of federal-municipal negotiations toward construction of dwellings for returning war veterans and their families. In the

early 1940's, Wartime Housing Limited negotiated directly with many municipalities and a pattern of relationships was established which continued, almost without question, during the early post-war years.

As the housing industry developed momentum by the second half of 1946, and the incomes and expectations of families began to rise, Wartime Housing Limited was taken over by Central Mortgage and Housing Corporation and a new program was developed to take effect during 1947-1949. The intention of this new program, entitled Veterans' Rental Housing, was to develop per annum 10,000 dwelling units of a more durable quality than that provided by Wartime Housing Limited. In the exteriors the main difference was substitution of aluminum siding for frame construction, and there were full basements. A serious attempt was made to provide permanent housing. Once more the federal government negotiated more or less directly with the municipalities concerned and, again, with little or no apparent objection from the respective provincial governments.

A third factor of considerable importance in the expansion of the federal role in the early postwar years was the obvious weakness of the provincial governments in these new fields of urban development. It has already been pointed out that the governments of the provinces were by no means prepared to assume their constitutional responsibilities in those areas of growth and development comprised by the term "urbanization". This must explain in part the lack of interference by provincial officials, elected and appointed, in the major federal-municipal housing programs of the 1940's. Moreover, these programs appeared to be the only way in which housing accommodation could be provided in Canada at that stage of political and economic development. Not only were the provincial governments unprepared, in the political and administrative sense, to play much of a role in housing policy, but their financial resources were quite inadequate to meet the new challenges they were forced to face within two or three years after the war.

Finally, the federal role was encouraged by outright and fairly strong hostility to public housing programs, a hostility far more evident within the councils of local government and the legislatures of provincial governments than anywhere else in Can-

ada. At the federal level, there was by the late 1940's at least a decade of major housing legislation, intervention in the housing market, direct negotiation with local governments for the construction of many thousands of dwellings, experience with certain social and community programs provided within Wartime Housing developments, and the operation of a substantial mortgage lending program supported out of tax revenues, an obvious benefit to taxpayers. The Marsh Report and the Curtis Report were further influences at the federal level that helped to weaken whatever antagonism existed towards public intervention in the nation's economy to achieve social goals through social service programs. There were never in Ottawa the strong anti-public housing lobbies which were evident in Washington from 1933 onwards.

In the Canadian cities and in the provincial legislatures, however, the situation was by no means so favourable. In many towns and cities there had been serious suffering by many thousands of families and individuals during the 1930's and not infrequent criticism of the manner in which financial assistance and work-relief programs had been handled. There was much dissatisfaction among the unemployed and the needy as well as the staff of the social and health services who had tried, under the most adverse circumstances, to help these people with the support of appropriate federal and provincial welfare legislation. At the same time, the four-fifths of the labour force who remained employed during those disastrous years found it difficult to accept the pleas of the disadvantaged. Rather, they were critical of what they considered to be wasteful measures of assistance to many persons whom they considered to be lazy.

These attitudes toward the poor showed in opposition to the developing pressure for slum clearance and public housing programs during the last two years of the war and in the early years of the postwar period. It was somewhat of a surprise to many people that the ratepayers of Toronto should endorse an expenditure estimated at nearly \$6 million in a vote taken on January 1, 1947, on behalf of the Regent Park North low-income housing project. Despite the favourable vote, there was fairly strong opposition to the assumption of responsibility by the city council of Toronto in the absence of supporting provincial legislation and financial assistance. In other parts of Canada the situation was much the

same. Although the opposition to public housing was never so vociferous, never as hard-hitting and vicious as it was in many urban areas in the United States, it nevertheless existed and was important in discouraging local initiative not only in the late 1940's but also throughout the 1950's even after the passage of enabling federal legislation.

In the two years following the war, then, intergovernment relations in the field of housing were quite perfunctory. A clear and strong federal role and a series of responsibilities were reflected in legislation and in administrative arrangements designed and enforced through Central Mortgage and Housing Corporation. There was a minor, weak, much less evident provincial role, even after the passage of section 35 of the National Housing Act in November 1949 which depended on similar "enabling legislation" being passed in the provinces. Some provinces quickly took advantage of the new opportunities and developed appropriate machinery. Others did not and to this day operate under legislation and administrative arrangements which are at best makeshift or stunted in their development.

At the local level there was confusion and consternation at the requirement that a clear and definite local initiative must precede the utilization of the federal-provincial partnership within specific communities. The major cities and towns faced the same difficulties as the governments of the provinces but, in addition, suffered from a series of disadvantages which they were less well prepared to overcome than their respective provincial hosts. At the local level there was opposition to public activity in the housing market, whether it be called slum clearance, urban redevelopment, public housing, or urban renewal. The residents of most neighbourhoods that were judged to be blighted or seriously deteriorating fought strongly against the expropriation and clearance of their homes, neighbourhood stores, and social and recreational facilities. They bitterly denounced official and press statements that they lived in a slum or a blighted area. At the same time, the residents of other neighbourhoods, both in the central city and the newly developing suburban areas, strongly opposed the location of public housing projects in their midst. They argued that they would be taxed not only in general but also specifically for the welfare and educational requirements of down-

town slum dwellers who had been foisted on them for the general betterment of some other municipal organization.

In addition to this discontent and opposition from within, local governments faced serious financial problems from the late 1940's through the late 1960's, and they continue to face significant financial dilemmas. Under the terms of the federal-provincial housing partnership, a municipality is required to bring "city services" (usually water and sewage facilities, street lighting and educational facilities) to the boundaries of a new public housing project and, in the case of schools, often within the large project site itself. These costs were burdensome enough to many municipalities but they were not the whole picture, since in many provinces the local government was required to pay from a low of 7½ per cent in Ontario to as much as 25 per cent of project costs in provinces such as Alberta, Manitoba, and Nova Scotia. In return for these expenditures on capital and a similar share of operating deficits (rent subsidies) local governments might during the 1950's expect in lieu of taxes a payment which, they argued, was woefully short of meeting the real costs of local participation in an intergovernment partnership.

Although it is true that despite these obstacles much progress was evident by the mid-1950's in St. John's, Halifax, Toronto, Hamilton, Windsor and Vancouver, the fact is that this list represents a mere handful of urban centres, whereas in the majority of municipalities there was little or no progress before the mid-1960's.

In the light of this analysis it might be argued that it would be easy to identify a series of practical entities which could be described as "federal housing policies", "provincial housing policies", and "municipal housing policies". Unfortunately this would be an extremely difficult and unrewarding task because none of the various governments in Canada ever really came forward with a clear statement of their goals and objectives, courses of action and programs designed to attain these. There was no clear statement of what might be termed "federal housing policy", but a series of statements and pronouncements each year on the overall housing situation and, in particular, on the total number of dwelling units likely to be constructed, under construction, and completed during that year. Under the circumstances, the analyst

can do no better than infer the most important elements of national housing policy from the enactment of legislation, the amendment of legislation, and the encouragement or discouragement of various aspects of the total national housing program.

Significance of the federal role

What, in fact, became clear soon after enactment of the federal-provincial partnership legislation late in 1949 was that the federal government, through its agency, Central Mortgage and Housing Corporation, intended to play a strong and controlling role in the development of publicly provided housing accommodation, wherever initiated in Canada, as seemed to befit its senior role in the provision of capital and operating subsidies.

As the 1950's began, a number of municipalities moved forward in their role as initiators of public housing programs. Evidence that federal-provincial-municipal negotiation towards the creation of public housing would be a long and tedious affair, and one in which the dominant roles would be played by officials of the federal agency, began to accumulate. In an address to the Committee on Housing of the city of Kingston in 1954, I predicted that if the city council were to agree at that moment to proceed with a request for the development of a substantial housing project intended to replace a deteriorated shack town which had recently become the responsibility of the city through annexation of part of an adjacent municipality, it would take five years before the assembled councillors would see a family occupy a dwelling unit. This prediction was borne out almost to the letter, which points up the nature of much of the difficulty in the 1950's in the failure of public housing in Canada.

The federal role was based upon a clear and commendable objective of excellence for Canada's public housing program. By this time we had had the good fortune to observe nearly a half-century of British experience and more than a decade of U.S. experience. Everywhere that a Canadian official might travel in these two countries, there were evident errors of omission and commission that it would be desirable to avoid. A desire for excellence impelled the officials of Central Mortgage and Housing Corporation to develop a set of administrative procedures in which a local initiative might soon bog down completely. It be-

came an interesting exercise to list the number of steps and approvals through which a public housing project had to pass from the initial proposal at the local level to actual construction and occupation of the project by low-income families. The number of steps listed by the Metropolitan Toronto Housing Authority in 1961-62, from local to provincial to federal to provincial to local approvals, back and forth a number of times, exceeded 50. Under these conditions it was indeed remarkable that any public housing accommodation was built at all.

In retrospect, the main difficulty appears to have been the desire of highly trained and specialized officials of the federal agency to achieve excellence in the Canadian public housing program. This is by no means an undesirable objective, nor one to be discounted. The fact was, however, that excellence could only be obtained at the expense of quantity. Although this was not the only reason for Canada's modest quantitative attainment in public housing, it was an important consideration. The federal agency insisted on planning every step of the way, from the original municipal-provincial request to the ultimate appointment of a local housing authority to administer and manage the completed dwellings. The Architectural Division of Central Mortgage and Housing Corporation produced plans in the finest detail for such huge public housing projects in Canada as Lawrence Heights and Warden Woods in Toronto, Skeena Terrace and MacLean Park in Vancouver, Mulgrave Park in Halifax, and Jeanne Mance in Montreal. The results of the division's activity were noteworthy. Our public housing projects were praised by architectural bodies, by visitors from other countries and by local officials. Such praise and various architectural awards were won at the expense of a mass attack on the need for housing accommodation for the most disadvantaged individuals and families in Canadian urban centres.

Perhaps the techniques of the 1950's were fully justified on two counts: first, because of the absence of any appropriate provincial and local machinery to plan and design public housing programs or to implement such programs through the letting of contracts and the supervision of construction; and second, because the federal government was in fact paying the lion's share of the cost of such provision. It is now clear that the first deficiency is being ameliorated as the provinces attempt in the late 1960's to develop

appropriate and adequate machinery through the device of the provincial housing corporation. At the same time, the federal government is in fact putting up a far greater proportion (90 per cent) of the required capital without any suggestion that it must seriously control the process of housing development because of this financial contribution.

In light of the substantial and powerful federal role in public housing, it might be thought that the government of Canada was strongly in favour of a vast program of publicly provided housing for the lowest third of individuals and families in the national income distribution. As indicated previously, one can only infer the essentials of national housing policy, but it is safe to argue that the federal public housing policy was not consistent with the scope of the federal public housing role. The best conclusion concerning national housing policy from 1945 through 1964 is that the government of Canada was strongly in favour of the attainment of home ownership by every family. This goal was enunciated from time to time in parliament and in the speeches of federal ministers, particularly those responsible for the operation of Central Mortgage and Housing Corporation. Moreover, the government and the officials of the corporation devoted much of their formal speechmaking and laudatory pronouncements to the encouragement of the housebuilding industry in its efforts to provide hundreds of thousands of homes for sale during the years 1946-59. Every effort was made to provide adequate supplies of mortgage money, to manipulate the interest rate, and to set forth appropriate terms to encourage individual home ownership. Not only was mortgage money made available through the National Housing Act at rates lower than those prevailing in the money markets, but down payments were successively reduced as loan amounts were increased. The period of amortization increased from 15 years in 1946 to 20, 25, and now 30 years or more to enable lower income families to acquire a home of their own. If anything, this was the heart of our housing policy during the past 25 years.

In the implementation of this course of action, Canada was transformed from a nation of tenants to a nation of homeowners, with the exception of the province of Quebec. This was a fundamental revolution in our living patterns and a tremendous

stimulus to the development of our national economy. Most of our population growth between 1951 and 1961 was in new municipalities which developed on the fringes of existing urban towns and cities. During the decade in question population increased by 30.2 per cent, but in 17 census metropolitan areas by more than 54 per cent. The population of the central city, as in Toronto, declined, but the adjacent suburban areas increased prodigiously as houses became available.

The housebuilding industry came to represent a sizeable part of Canada's annual capital investment, absorbing \$2 billion a year. Fluctuations in this industry affected, or were affected by, national economic and monetary policies. At least half-a-million jobs were directly involved, with perhaps two or three times as many dependent upon the housebuilding industry, an industry devoted until the late 1950's to the production of one main product: the single family detached house on vacant land, the only type eligible for National Housing Act financing.

This dedication to a single objective within a national housing policy inevitably implied neglect of more direct public intervention in the housing market on behalf of rented accommodation for low-income families, defined as those in the lowest third of the income distribution. When a substantial degree of national resources and national effort are devoted towards making every Canadian family a homeowner, then there is a special kind of label, a special taint or blight to be placed upon those families who, despite all the favourable manipulations in the basic policy, cannot afford a home of their own. In such circumstances, the only possible conclusion to be drawn by many "right-thinking men" is that those who cannot benefit from these policies must be, in Galbraith's words, the victims of "case poverty":

Case poverty is commonly and properly related to some characteristics of the individuals so afflicted. Nearly everyone else has mastered his environment; this proves that it is not intractable. But some quality peculiar to the individual or family involved — mental deficiency, bad health, inability to adapt to the discipline of modern economic life, excessive procreation, alcohol, insufficient education, or perhaps a combination of several of these handicaps — have kept these individuals from participating in the general well-being.

These pervasive influences have taken a long time to overcome in the Canadian housing picture and it is only with the assumption of a stronger role in the 1960's by several provincial governments that the tide has begun to change. Even so, progress can only be described as moderate in a nation in which not more than 5 per cent of its annual housing starts of some 150,000 to 175,000 have been devoted to public housing; and this proportion was attained only in 1967 after years of less adequate provision.

The first decade of public housing: a summing up

Fifteen years of meetings and discussion, speechmaking and brief-writing, presentations to provincial ministers, federal officials, local municipal councils and groups of businessmen and service clubs, had resulted by 1960 in the construction in Canada of not more than 10,000 — 12,000 public housing units, depending upon how the count was made. Some estimates of total public housing production included dwellings for occupancy by elderly persons; other estimates did not. It would be safe to insist that no matter how the estimate was derived, the total number of such dwelling units available for rent to low-income families did not exceed 15,000 in 1960.

Not only was there great discouragement at this meagre quantitative achievement in the years 1946-59, but by this time Canada was in the midst of a severe economic recession which lasted well into 1963. Both the federal government and those provincial governments that had participated in the federal-provincial housing partnership during the 1950's discontinued their encouragement of additional programs and stood pat, as it were, with those programs already under way and in the process of construction. The result was even greater discouragement for voluntary associations and professional personnel who had hoped that a vast program of public housing activity would have been mounted by this time in many metropolitan areas. On the contrary, only 38 dwelling units (the last to be completed in the Lawrence Heights project) were actually completed for occupancy by low-income families in the metropolitan area of Toronto during 1958-63. Waiting lists grew at a moderate rate only because eligible families realized that it was futile to make

application for accommodation that did not exist and for which there was no hope of attainment.

By 1961 it was clear to all interested parties that the federal-provincial partnership had collapsed. It was not only that its total accomplishment was grossly insufficient, but also that very little had been approved, and no future programs were evident after the downturn in Canadian economic activity during the winter of 1957-58. Under the circumstances, some people concluded that the answer to this stalemate lay in an entirely different approach through an elevation of the role of the local housing authority. It was pointed out that such authorities in the United States had a great deal more power than similar bodies in Canada; that they raised their own funds at relatively low interest rates through the issuance of tax-exempt bonds; that they produced their own programs and plans for several years ahead, subject to the approval of federal and state authorities; that they acquired land, hired architects, developed plans, let contracts and, in general, acted as Central Mortgage and Housing Corporation was attempting to act on behalf of an entire nation.

In metropolitan Toronto the drive towards a rejuvenated local housing authority was shaped by a number of lay and professional people in the voluntary services and by elected and appointed officials at the political level. The chairman of the metropolitan Toronto council lent additional support to the creation of a new regional or metropolitan-wide housing authority which would absorb all existing authorities in the area: two involved in public housing for families and two in the form of limited dividend housing corporations * devoted primarily to production of housing for the elderly. In 1962 the view spread and gained credence that the federal government was prepared to amend the National Housing Act to encourage the growth and development of such comprehensive regional authorities by permitting direct access to federal funds available under sections of the act such as section 16 (limited dividend), section 23 (urban redevelopment), and section 36 (federal-provincial projects). Hopes were high at this time but they were dashed by a series of disasters, including the

* *Limited dividend housing*: rental accommodation built with NHA section 16 loans, which limit the entrepreneur's profits.

deaths of the federal minister responsible for housing, the president of Central Mortgage and Housing Corporation, and the director of the Housing Branch of the Department of Economics and Development in Ontario.

In 1964 the government of Ontario, aware that the National Housing Act would in fact soon be amended to encourage the assumption of significant responsibilities by local or provincial authorities, developed the concept of a provincial housing corporation and passed the Ontario Housing Corporation Act in June of that year. In the same month, amendments to the National Housing Act revolutionized the approach to public participation in the provision of accommodation to low-income persons.

The 1964 amendments: a turning point in housing policy

The 1964 amendments, which virtually rewrote most of the social provisions of the National Housing Act, included the following significant changes:

a) A new section 16A was added to authorize loans to non-profit corporations owned by a province, municipality or any agency thereof, or by a charitable corporation for the construction or purchase of a housing project or housing accommodation of the hostel or dormitory type for use as a low-rental housing project. This amendment may be considered to be a substantial expansion of the former section 16, the so-called "limited dividend section", but of most significance is the implication that the governments of the provinces would enter this specific activity.

b) Part III of the National Housing Act was retitled "urban renewal" as distinct from its previous designation of "urban redevelopment". This part of the act, which had from 1954 been composed entirely of section 23, was substantially rewritten. This was the first time the phrase "urban renewal" was written into the National Housing Act and section 23 was broadened considerably to encompass this broad-gauge approach to the prevention and treatment of blighted and slum areas in urban municipalities.

Specifically, section 23 was expanded by the addition of new sections numbered 23A to 23F. These subsections from A to F were designed to cover, respectively, contributions for preparation of an urban renewal scheme, contributions for implementing an

urban renewal scheme, loans for an urban renewal scheme, insured loans for housing projects in urban renewal areas, authorization for expenditures from the Consolidated Revenue Fund, and regulations. As far as the governments of the provinces were concerned, sections 23A, B, and C were most important. Not only were the provinces clearly recognized as the authority which must approve local urban renewal plans, but the federal government agreed to pay one half of the costs of preparing and implementing such schemes. In addition, Central Mortgage and Housing Corporation recognized for the first time that implementation would require the employment of persons to assist in the relocation of individuals and families dispossessed of housing accommodation by urban renewal programs.

c) Section 36 of the 1954 act, which was the first portion of part VI, entitled "federal-provincial projects", was renumbered as section 35A and part VI was retitled "public housing". Although the federal-provincial partnership had been in force since the end of 1949, this was the first time that the phrase "public housing" had appeared in the National Housing Act.

Section 35A was, in fact, a restatement of the earlier federal-provincial partnership, with the addition of the possible inclusion of hostel or dormitory type housing accommodation in federal-provincial housing projects. The 75-25 division of financial responsibility in both capital costs and losses (subsidies) between the federal and provincial governments was continued unchanged.

d) The entire field of public housing operations was broadened substantially with the enactment of new portions of section 35 numbered 35B to E. In section 35B the term "public housing agency" was defined to include a corporation "wholly owned by the government of a province or any agency thereof", or "one or more municipalities in a province". This revised definition, along with the new financial provisions in sections 35C to E, brought the Canadian provinces directly into the field of public housing for the first time.

In section 35C, Central Mortgage and Housing Corporation was permitted to make loans to assist a province, municipality or public housing agency to acquire lands for public housing projects. The maximum loan that may be made for this purpose is 90 per cent of the cost of acquiring and servicing the land. Since

it was anticipated that a land acquisition program would soon be followed by the construction of a public housing project, loans under this section were expected to be for relatively short terms and in no case for more than 15 years. This new section was followed by another, section 35D, which permitted the federal agency to make loans to provinces, municipalities and public housing agencies "to construct, acquire, and operate public housing projects". Loans under this section were to be subject to conditions similar to those applying to limited dividend housing companies and non-profit corporations. In short, these loans could not exceed 90 per cent of the cost of the project as determined by the corporation and would be for a term not exceeding 50 years from the date of completion or acquisition of the project. Finally, in the third new section, section 35E, the corporation was authorized to make contributions toward the operating losses of subsidized public housing projects owned and operated by a provincial, municipal and public housing agency for the benefit of persons of low income. The maximum federal contribution was set at 50 per cent for a period not in excess of 50 years.

In these new sections the National Housing Act was slanted in the direction of new forms of initiative by local or provincial governments. Clearly, the terms available in the completely revised section 35 under the rubric "public housing" were far more favourable than the terms provided in the familiar federal-provincial partnership (although these provisions were retained as an alternative if desired by any provincial jurisdiction). The increase in the proportion of capital contributions was, of course, accompanied by a decrease in the proportion of subsidies which the federal government would pay. The amount of the subsidies has never appeared to be a major consideration affecting the decisions on public housing of municipalities and provinces. The capital contribution, however, had been an important deterrent to local initiatives in most municipalities.

Although it may not have been apparent in June 1964, the amendments passed in that month have already proved to be a turning point. From that time, the whole question of whether slum or blighted areas were to be cleared and the accompanying social questions so evident in the processes of rehousing and relocation — of whether low-income persons and families in our

country were to be offered decent and adequate housing at a price they could afford — these and numerous related social questions were put squarely in the lap of the 10 provincial governments. Their response during the ensuing four years has been a clear indication of their motivation, or lack of it, in the face of the most opportune circumstances ever put before the network of intergovernment organizations in this country. The roles of these governments have become much clearer in these past few years and, in the light of recent experience, it is now possible to speculate upon the respective roles of the three levels of government for the next decade or two.

PRESENT HOUSING POLICIES

Role of the federal government

In the view of most observers there has been a diminution in the significance of the federal role since the passage of the 1964 amendments to the National Housing Act. But in my opinion this decline is more apparent than real. It is almost entirely confined to interrelationships in policy between the three levels of government. This is not to suggest that the change is not fundamental or important, but merely to insist that federal policy is still dominant in the housing field and that this dominance is inevitable in view of the financial arrangements whereby housing is undertaken.

A large proportion of financial resources available for the production of more than 150,000 dwelling units on the average during the past few years has been mustered through the fiscal channels of the federal government. In part, this means that all taxpayers share in the financing of housing production through the direct lending operations of Central Mortgage and Housing Corporation, and through the granting of loans to provincial housing corporations and/or local housing authorities with the approval of the appropriate provincial government. At the same time, the influence of federal financial and monetary policies is crucial in the largest part of the housing market, the private sector, wherein 95-99 per cent of all dwelling units created during the past 20 years have in fact been constructed. In this sector the federal role continues to be one of encouragement, or discouragement from time to time, and subtle direction and persuasion. This set of roles is played, in part, for many economic

reasons and purposes, through manipulation of the official lending rates. The problem confronting policy makers is how to moderate the impact of interest charges upon the housebuilding industry while at the same time attaining larger national objectives. It is possible to apply the old U.S. adage to this aspect of the federal role in housing: "Speak softly and wield a big stick".

The new factor in the total housing situation has been the appearance of the provincial housing corporations, the most successful of which to date has been the Ontario Housing Corporation inaugurated in 1964. By 1968 all but two of the ten provinces had created a provincial housing corporation, by whatever name, partly because of the success of the Ontario Housing Corporation in doubling the stock of public housing dwellings in four years. The appearance of provincial housing corporations throughout the nation is strongly associated, of course, with the whole question of federal-provincial constitutional relationships and the growing strength of provincial governments. In the field of housing we are witnessing one aspect of the overall transfer of fiscal resources to those governments who have always been charged with the constitutional responsibilities in the fields of "property and civil rights" but who have not exercised these powers because of lack of interest, motivation or financial resources. The resurgence of provincial power can only be effective if adequate funds are made available and this in reality means the transfer of resources from the federal to the provincial governments. None of the latter has yet insisted that it has sufficient resources to meet its constitutional responsibilities in fields such as housing, welfare, or even education.

The fundamental change in the federal role since 1964, then, has been the willingness of the government of Canada, through Central Mortgage and Housing Corporation, to encourage implementation of provincial responsibilities in housing by making funds available, either through more flexible and more liberal interpretation of the legislation and the regulations thereto, particularly in sections 23 and 35 of the National Housing Act as amended in 1964. During the first three years following the revision of the legislation, Ontario was the only province to take full advantage of the new opportunities. The traditional federal-provincial partnership arrangements continued to be employed in

most of the other provinces and the same degree of slow progress was evident. It was primarily in Ontario that the scope and pace of public participation expanded rapidly and by 1967 the total investment by the Ontario Housing Corporation was approaching \$200 million. By the end of fiscal 1967 the OHC owned and administered real estate to the value of some \$300 million; and the government of Ontario had announced that it expected total allocation from the federal government during the calendar year 1968 to approximate \$400 million as the 90 per cent federal share of the total OHC program, including student housing. It is important to note that since 1964 the provinces, whose original capital contribution is 10 per cent, do, in fact, own the public housing created by federal-provincial agreement.

The scope and limits of housing policy as far as the federal government is concerned are well illustrated in this brief exposition of recent events. If the provincial governments insist on the implementation of their constitutional responsibilities the federal government can perhaps best act as banker, that is, make loans, set interest rates, and collect appropriate repayment instalments. Such a policy could work effectively in a federal country if each provincial government was equally convinced that it should participate in an overall housing program as a matter of substantial national importance. Central Mortgage and Housing Corporation cannot, however, motivate the provincial governments to act, particularly if the latter do not see any special need or emergency within their own jurisdiction and are thus reluctant to act. It is well known that the political philosophies within the various provinces are quite different on government intervention in such aspects of the economy as the housing market. Even though it may be clear to federal officials and students of the subject that the needs in a particular province are vast and that a good many families are suffering because of a shortage of housing accommodation, there is very little that the federal government can do in the absence of provincial recognition of the need and motivation to act.

To this extent it might appear that the federal role has been severely limited — though again this is somewhat misleading. It was never the policy of the corporation to “shout from the house tops” in an effort to advertise or sell the available housing pro-

grams. Rather, the federal position has always been that the legislation was available to those local areas with initiative and to those provinces willing to encourage local governments to take such action. Under the federal-provincial partnership, however, it might be argued that federal officials could quietly inspire local elected and appointed officials to give serious consideration to the needs in their communities, particularly through the device of urban renewal studies and other related housing research. The fact that so little was accomplished through the arrangements in existence from 1950-64 surely indicates that there was not really very much pressure by the federal government upon local or provincial governments, nor much initiative by the latter. This situation today remains the same; there is no fundamental change in federal policy. The terms of federal financial participation in intergovernment programs have been altered to make it easier for the governments of the provinces to borrow money and initiate programs. The initiation, however, remains almost entirely outside the scope of federal housing policy.

Role of the provincial governments

ONTARIO — If the passage of new legislation can be viewed as a firm indication of the emergence of new roles or, at least, an indication of the intention to assume traditional responsibilities, then the provincial governments have indeed been extremely active since early in 1964. In April of that year the government of Ontario passed "An Act to Incorporate the Ontario Housing Corporation", a short law (15 sections) covering in its first version not more than five mimeographed pages. This act did not really outline the nature of the new roles that a provincial housing corporation might play in the housing market and gave little hint of the furious activity in public housing that was to develop in Ontario within two to three years.

Nevertheless, the government of Ontario did in fact establish a corporation without share capital, under the name of the "Ontario Housing Corporation", to consist of not fewer than seven and not more than eleven members appointed by the Lieutenant-Governor-in-Council. The most significant sections of the act are sections 6-8 whereby the new corporation assumed, in the first instance, most of the responsibilities laid down for the government

of Ontario under the former Housing Development Act (Revised Statutes of Ontario 1960) to make agreements with the government of Canada under sections 23 and 35 of the National Housing Act 1954. In section 6 there is little mention of new activities in the field of housing, except in subsection (4), which states that "the Corporation [Ontario Housing Corporation] may acquire and hold real property and dispose of such property from time to time". In section 7 the new corporation is deemed to be a management corporation under the terms of the Housing Development Act. Finally, in section 8 the Ontario Housing Corporation was given extensive powers to raise its own funds by loans or the issue and sale of debentures, bills or notes, to be guaranteed by the Ontario government. Although these latter powers have yet to be exercised, they constitute what might be considered an "ace in the hole" should the requirements within Ontario exceed the available resources of Central Mortgage and Housing Corporation.

With this simple piece of legislation as background, the OHC began to communicate its intentions and its potential program throughout the more than 900 organized municipalities within the province late in 1964 and throughout the first half of 1965. At the same time, it dissolved the Metropolitan Toronto Housing Authority towards the end of November 1964 and took over the administration of some 2,500 dwelling units within the metropolitan area. In fact, the new provincial corporation became a housing authority for the second largest municipality in Canada, while permitting the continuing existence of some 38 other federal-provincial housing authorities within the province. All federal-provincial public housing operations, however, were placed within the jurisdiction of the Ontario Housing Corporation, which has to this date permitted the remaining local authorities to administer and manage the existent accommodation. In municipalities where a housing authority has not previously existed the new corporation has, since 1965, assumed responsibility for the administration of newly constructed public housing and has created regional offices throughout the province for this purpose.

It was understood from the beginning that in an attempt to solve the critical needs of low-income or moderate-income families for housing accommodation the OHC would have very broad

powers. None of these powers is spelled out specifically in the legislation. The staff and board of directors of the OHC have thus employed the most liberal interpretation of the 1964 amendments to the National Housing Act in an effort to create a much greater stock of public housing dwellings in Ontario than existed during the previous 15 years. It has already been pointed out that the energy, ingenuity, and boldness of the corporation have resulted in a very substantial operation and an apparently successful attack upon housing needs.

During the years 1965-67 the program of the OHC may be said to have passed through three distinct phases. In the first period, from the early months of 1965 and for about 12 to 15 months thereafter, the corporation made every effort under section 35D of the National Housing Act to acquire existing housing accommodation (in the form of row houses, maisonettes, garden-court apartments, and multiple dwellings) as well as having a program to acquire some 200 or more individual houses scattered throughout the city of Toronto and the metropolitan area. This program of purchasing existing housing (whether partially or entirely vacant, or even fully occupied) soon built the stock of public housing dwellings in the metropolitan area to some 6,000 units. In large measure this new and radical attack upon the housing problem was made necessary by a formal request from the municipality of metropolitan Toronto to the OHC for some 4,500 new public housing dwellings to be provided within a period of a year or two from the spring of 1965. There is little question that elected and appointed officials within metropolitan Toronto were dubious about the ability of the new corporation to fulfil such a large quota, but it is obvious that they had not envisaged the possibility that the response of the corporation would be to purchase existing housing.

There is much to be recommended in the purchase of existing housing during the early or formative stage of any new provincial housing corporation. This statement is based, of course, upon the assumption that there is a quantity of existing housing to be purchased and that the prices of such accommodation are appropriate within federal and provincial regulations. In the spring of 1965 and for some months thereafter, all these conditions were met and the apparent success of the corporation was a major fac-

tor in influencing the passage of new housing legislation in several other Canadian provinces.

It soon became clear to the officials of the OHC that a full program could not depend for long upon the purchase of existing housing which, provided the financial resources are available, is relatively easy and quick to accomplish. These purchases simply transfer housing accommodation as quickly as possible from one sector of the population (say the lower middle-income group) to families in the lowest third of the income distribution. It does not replace sorely needed housing. The fact that such purchased housing could not easily be replaced and was not likely to be replaced by developers was not foreseen in the first instance. Moreover, the three largest municipalities within metropolitan Toronto soon instigated a new form of resistance to the location of public housing within their boundaries, either by outright refusal to approve subdivision plans incorporating housing accommodation which might be suitable for purchase by the OHC or by slowing down the process whereby approval would be granted.

A second phase of the operations of the OHC can be distinguished from the fall of 1965 and continuing throughout the ensuing two-and-a-half years. This phase, which might be described as "the encouragement of new construction through builders' proposals", was not a new device prompted by the attrition of the purchase of existing housing, but had always been foreseen from the initiation of the corporation. By the beginning of 1966 it was apparent that entirely new construction was the only way in which public housing could be provided in most of the small and medium-sized municipalities within the province. Furthermore, the hope of expanding the public housing stock in great proportion over the ensuing five to ten years, even in the five largest urban centres (Windsor, London, Hamilton, Toronto and Ottawa), clearly lay in the development of large plans encompassing hundreds if not thousands of dwelling units. The corporation soon began to issue advertisements calling for builders' proposals for specific amounts and types of housing for senior citizens, large families, for traditional mixtures of bedroom counts within multiple dwellings, to be built usually on land owned or optioned by the developers themselves. Sometimes the

site of the land was specifically mentioned, since the municipality was ready to sell such land to the corporation. Sometimes the developers were asked to suggest appropriate locations on their own account.

These new techniques proved to be as successful as the purchase of existing housing but of much more permanent value. Rarely has the corporation received just one or two proposals in response to its proposal calls during the past two-and-a-half years; customarily it receives from six to fifteen and sometimes more, even in cases where the number of dwellings to be constructed in municipalities with populations of 10,000 to 25,000 is no more than 20 or 25 units. There has clearly developed a substantial housing industry in Ontario which depends to a great extent upon the activities of the OHC and which is prepared to offer good, sound and adequate housing at prices that appear to be reasonable in the light of the rapid inflation which has beset almost every phase of our economic activity since 1964.

It must be emphasized that the OHC acts only at the request of a local or municipal government within the province. At the time of its creation in 1964, some elected local officials were fearful that the new corporation would enter the field of housing within municipalities which had not previously shown any interest or initiative in this field and, perhaps, had shown outright prejudice in opposition to the location of public housing. If this were the fear of local governments, many of these attitudes have since evaporated. The minister and the chairman of the Ontario Housing Corporation made it clear in a series of symposia held in late 1964 and early 1965 that the corporation would take action only after the passage of a specific resolution by a municipal council asking the OHC to take action. This action usually consists, in the first instance, of a brief survey to make some judgment of the need and demand for public housing in that locality. A report is presented to the local council, which must then formally request the OHC to construct a specified number of dwellings for families and/or senior citizens, often specifying the size of the accommodation and sometimes the location desired. A good deal of negotiation on the part of the officials of the municipality and the officials of the corporation then ensues; a proposal call will be issued and widely advertised; proposals will be received and ex-

amined; a specific recommendation will be made to the board of directors of the OHC; then, and only then, will a contract be awarded to the successful proponent. Even at that stage the recommendation of the staff and board of directors is cleared with the mayor and local council so that the charge cannot be made that public housing has been "shoved down the throats" of any municipality against its will.

A third phase in the operations of the OHC began towards the end of 1966 with the creation of a subsidiary corporation known as the Ontario Student Housing Corporation. In December 1966 the Lieutenant-Governor-in-Council appointed this corporation, which includes all of the members of the Ontario Housing Corporation plus two or three additional members from appropriate departments of the Ontario government — specifically, the Deputy Minister of University Affairs and the Deputy Minister of Education, and the Deputy Managing Director (Development) of the OHC. This new group began in 1967 to develop and construct residential accommodation for students at any university within Ontario which requests the services of the new corporation. In fact, the staff of the two corporations are the same, although some members have been hired with particular responsibilities in the field of student housing. The important thing to notice is that the universities within Ontario have been treated by the Ontario Student Housing Corporation in exactly the same manner as local governments have been treated by the OHC. The universities must request the services of the OHC, which will only act in response to a clear and definite request for its services by a fully recognized university or other institution of higher learning within the province.

This long and detailed explanation of the activities of the OHC has been included for two reasons. In the first place, the OHC has had the longest and most intense experience of any provincial housing corporation. In fact, it is not an exaggeration to suggest that its experience vastly exceeds that of all the other provincial corporations combined. Moreover, it is important to provide this exposition of the activities of the OHC because its apparent success (and, indeed, the word "apparent" is used only to suggest the point of view of the outsider in another province) has clearly

influenced the legislation and the activities which are now emerging in many other provinces.

Following the passage of the Ontario Housing Corporation Act in 1964 nine of ten provinces have passed new legislation in the fields of housing and urban renewal and, as a consequence, there now exists a provincial housing corporation in eight provinces. The following is simply a review of the new legislation passed within the provinces from the west to the east, with a brief indication in each case of the most significant provisions of the legislation.

BRITISH COLUMBIA — There has been no new housing legislation of special significance.

ALBERTA — An Act to Co-operate with the Government of Canada and Other Public Authorities for the Provision of Housing and Urban Renewal was passed in April 1965. The act is cited as "The Alberta Housing Act". This legislation was enacted, one might argue, just about 15 years later than it should have been. It provided that the province might enter into agreements with the government of Canada, with CMHC, with any municipality and any housing authority to undertake joint projects, that is, federal-provincial housing projects under part VI of the National Housing Act 1954.

As far as public housing is concerned, the emphasis in the legislation appears to place the onus of responsibility upon the municipalities to acquire, undertake, carry to completion, maintain and operate public housing projects or other housing accommodation within the municipality with the approval of the province. The act covered besides public housing the field of urban renewal where it specifically permitted the province to enter into agreements with the corporation and with municipalities for the preparation and implementation of urban renewal schemes. Municipal powers under such schemes are specified clearly and a good many matters in the broad housing field, including the enforcement of housing standards, are covered in the legislation.

Two years later, in April 1967, an Act to Amend the Alberta Housing Act was passed and this enunciated more clearly the possibilities of municipal and provincial participation in public hous-

ing and urban renewal under the 1964 amendments to the National Housing Act. The most important provision in the 1967 Alberta legislation, however, is section 16, which states that "the Lieutenant-Governor-in-Council may establish a corporation with the name of the Alberta Housing and Urban Renewal Corporation to carry out any of the duties and functions provided for by this Act...". This section included merely seven subsections which substantially incorporate provisions similar to those within the Ontario legislation.

The new corporation has issued a brief mimeographed statement of the "Programmes under the Purview of the Alberta Housing and Urban Renewal Corporation" and these include: urban renewal, public housing, co-operative housing, land assembly programs, university student housing, provincial staff housing, housing for migratory workers, and elderly citizen housing. Each of the foregoing areas is defined in this explanatory publication and one must then conclude that, on paper at least, the province of Alberta now appears ready to assume its substantial constitutional responsibilities in the field of housing, broadly interpreted.

SASKATCHEWAN — An act respecting public housing received Royal assent on March 30, 1966. This act was cited as "The Housing and Urban Renewal Act, 1966". The Saskatchewan legislation appears to be modelled closely upon the 1965 act of the province of Alberta.

The act is divided into four parts entitled: "Part I Housing; Part II Urban Renewal; Part III By-Law Respecting Maintenance, etc.; and Part IV General". In part I the powers of the province to enter into agreements with the various parties involved in federal-provincial housing projects are enunciated, followed by the powers of a municipality to enter into such agreements. Once again, the act appears to place the onus of responsibility upon the municipality, which is given powers under section 6 of the act that are relatively broad and include most of the powers required under section 35A to D of the National Housing Act.

In the second part of the legislation the matter of urban renewal studies is specifically mentioned, with the province agreeing to pay 25 per cent of the cost of such studies. Municipalities are also

provided with the power to carry out such studies as well as to prepare and implement urban renewal schemes. In the third part of the act, municipalities are given the power to pass bylaws prescribing standards for the maintenance and occupancy of the property in urban renewal areas and providing for appeals against the enforcement of such bylaws.

The Saskatchewan legislation does not include a provision for the creation of a provincial housing corporation.

MANITOBA — The Manitoba Housing and Renewal Corporation Act received assent on May 4, 1967. This legislation is clearly a much more fully developed act than most of the others passed since 1964. The printed legislation runs to 26 pages, encompassing 49 sections within five major parts following the customary introductory definitions.

Part I, interestingly enough, is entitled "The Manitoba Housing and Renewal Corporation". With very slight variation, most of this part of the act duplicates the brief Ontario Housing Corporation Act of 1964, including endowing the new corporation with powers to raise money by the issuance of notes, bonds, debentures or other securities with the approval of the Lieutenant-Governor-in-Council. In my view, part II, entitled "Public Housing", is a model of the type of legislation now required to permit the broadest possible activity of a provincial government in this field. The legislation differs from that of Alberta and Saskatchewan in providing that the corporation rather than the province may enter into agreements with all of the respective government bodies likely to be involved in programs under the aegis of section 35 of the National Housing Act. It also differs in that the objectives of public housing and the circumstances under which it should be undertaken are specified in section 17, as well as a clear indication that the sites of proposed projects must be chosen within approved planning schemes of local governments or the Metropolitan Corporation of Greater Winnipeg.

There appears to be an important difference between the approach in Manitoba and that in Ontario. In Manitoba the corporation is permitted to lend money to a municipality or a housing authority to carry out operations specified in section 35A to D of the National Housing Act. The corporation may lend

money to a municipality or a housing authority for the acquisition of land and for the construction or acquisition of a public housing project. The amount of these loans is equal to the usual provincial contribution, bearing in mind the 90 per cent loan available from Central Mortgage and Housing Corporation. This is quite unlike the situation in Ontario, where all the operations are carried out by the Ontario Housing Corporation which provides the 10 per cent contribution without any capital contribution by the municipality. There appears to be a clear incentive in Manitoba for the assumption of responsibility at the local level with provincial and federal support, rather than the overall assumption of responsibility by the new provincial housing corporation.

Part III of the legislation deals with projects undertaken by limited dividend housing companies, but of more importance is part IV, entitled "Renewal". The term "urban renewal" is not used in this part of the legislation and the phrase "a housing and renewal authority" appears rather than simply "a housing authority" or "an urban renewal authority". This part of the act permits the new provincial corporation to enter into agreements under section 23 of the National Housing Act 1954 on what are customarily called urban renewal schemes. Again, safeguards are written into section 35 of the Manitoba legislation to ensure that the renewal area is carefully defined under a planning scheme within the local municipality or within the Metropolitan Corporation of Greater Winnipeg.

On *prima facie* evidence, the Manitoba legislation appears to be a full-blown development of provincial assumption of responsibility, at least in legislative terms. In scope and format this legislation rivals the National Housing Act itself.

QUEBEC — The Quebec Housing Corporation Act received formal assent on June 29, 1967. This legislation is distinctive in that it contains a series of explanatory notes which are, to some degree, a statement of public policy within the province. This sort of explanation does not appear in the legislation of any of the other provinces. For example, the notes to the Quebec act state:

This bill proposes a general law whereby all municipalities will now be able to renew any part of their territory and equip low

rental lodgings for persons with small incomes, with the assistance of the Quebec Housing Corporation constituted by this act; the Corporation will be able to grant subsidies and make loans for such purposes.

Every renewal program must be communicated to the interested ratepayers who may express their opinions to the Corporation before the latter approves the program and submits it to the government. While such programs are being elaborated, no building permit will be granted in the renewal territory except with the authorization of the Corporation.

Any part of a municipality affected by such a program will become a "renewal zone" as soon as the government has approved it, and the municipality may then acquire all immovables necessary to carry it out, within five years; such delay may, however, be extended by the Corporation for cause, but for not more than another five years.

A program cannot be approved unless it makes adequate provision to relocate the persons who will be evicted in order to carry it out.

Furthermore, the municipal bylaws will be amended upon the coming into force of a renewal program so as to give effect thereto automatically.

Any municipality, on obtaining the approval of the Corporation and the government, may undertake in any part of its territory a housing program for persons with small incomes. It may, itself or through municipal bureaus set up for the purpose, acquire, construct and administer low rental lodging buildings, the operation of which may be subsidized by the Corporation and the municipality.

The Corporation may make loans to non-profit organizations recognized by it, in order to make low rental lodgings available to persons with small incomes, such as the aged and students, their spouses and their children.

Grievance bureaus may be set up by the Corporation to hear lessees of low rental lodging buildings who consider that their rights are encroached upon.

The Quebec legislation, which is even more extensive than that of Manitoba, is divided into seven "sections" (French) or "divisions" (English). It is clear from division II that the Quebec

Housing Corporation (Société d'habitation du Québec) is of a very different order than those under way in Ontario or contemplated in the other provinces. The Quebec corporation is midway between the format of a provincial housing corporation governed by a board of directors composed of knowledgeable public-spirited citizens, who may or may not receive an honorarium, served by a substantial staff of public servants, and the Central Mortgage and Housing Corporation, which is an autonomous crown corporation headed by a president, several vice-presidents and a large staff. The Quebec corporation is composed of five members, two of whom are appointed for 10 years. One of these two members is appointed the president of the corporation. The other three members are appointed from among public servants who receive additional remuneration for this additional responsibility, and one of whom holds the position of vice-president of the corporation. It is clear that this concept of a housing corporation is more like that of a public utilities commission than of a full-blown and active provincial administration.

Division III of the act is entitled "Renewal of the Territory of a Municipality". Within this division there are four main sections: i) renewal projects; ii) renewal programs; iii) approval of renewal programs; and iv) carrying out of renewal programs. This division of the act encompasses in all 24 major sections, numbered 27 to 50. It is clear that a renewal project is the Quebec version of an urban renewal scheme. The legislation, as in the case of Alberta and Saskatchewan (but even more strongly than in these two provinces), makes it clear that a municipality must, by resolution of its council, apply to the corporation for authorization to make a contract "for the preparation of a detailed program for the renewal of any part of its territory therein described". This resolution would be forwarded to the corporation, which must authorize or refuse approval.

There is thus a clear intention that the province of Quebec expects the corporation to stimulate a great deal of local responsibility and initiative if the urban centres in that province are to receive due attention. Once the project has been defined and a plan prepared, the municipality may, by bylaw, adopt a program for the renewal of any part of its territory. It is specifically indi-

cated that such municipality must clearly describe the steps to be taken to rehouse persons displaced by the program. Moreover, the nature and extent of the public contribution in relation to municipal services within a renewal program must be clearly enunciated. In Ontario this is understood to be a requirement of a federal-provincial agreement under section 23, but as far as the local municipalities are concerned these requirements have never been spelled out as they are within the Quebec legislation. The latter goes so far as to specify that "the architecture, dimensions, symmetry, alignment and destination of the structures which may be erected in each of the zones which may be established . . . shall be indicated" (section 32).

Responsibility for advising affected residents and holding public hearings is dealt with in sections 33 to 38. A notice of the adoption of a renewal program must be published, specifically, three times at intervals of at least five days, in both English and French daily or weekly newspapers; such notice must be forwarded by mail to all owners of property situated in the renewal area, and so on. Public hearings must be held to hear interested persons who have filed objections to the renewal program and such hearings shall be held in a public hall within the municipality. It is perfectly clear that the province of Quebec, certainly a latecomer in the field of housing and urban renewal legislation, has learned a great deal from the experience of those provinces, and cities within them, who have been active during the past 20 years.

The Quebec Housing Corporation must approve or reject the renewal program of the municipality which puts it forward. Again, in section 39 the act states that the corporation shall not approve such program unless it provides "that suitable lodgings will be made available to the persons deprived of lodgings by reason of the carrying out of the program, taking into account their income". Once approval has been granted by the corporation, the municipality has the power to carry out the renewal program in the manner indicated. Nevertheless, "every acquisition, rental or alienation by agreement must be authorized by the corporation; it must also be approved by the Lieutenant-Governor-in-Council". These procedures may turn out to be causes of great delay in Quebec's effort to embark solidly upon new renewal programs.

Division IV of the Quebec act is entitled "Low Rental Lodgings". This section of the act comprises five important portions as follows:

1) *Municipal programs.* Any municipality may adopt a program to make low-rental housing (lodgings) available to persons of low income. Such programs must be submitted for approval to the Quebec Housing Corporation and the Lieutenant-Governor-in-Council before they may be implemented. The act states that the bylaws of the corporation shall include all the data required including, in particular, a description of the properties to be acquired and the steps to be taken to relocate persons who will be evicted. Section 51 spells out in great detail steps which must be taken to implement a municipal program.

2) *Municipal housing bureaus.* Section 55, in rather curious language which may have suffered in translation, states that "upon petition by a municipality . . . any person [may be incorporated] as a non-profit corporation for the purposes of acquiring, constructing and administering low-rental lodging buildings for persons of low income". It is specifically stated that the name of any such corporation shall indicate that it is a municipal housing bureau. These non-profit corporations are permitted, by agreement with a municipality other than that of which they are the agent, to exercise their powers on behalf of such other municipality.

3) *Financing of municipal programs.* Municipalities which have obtained the authorization of the Quebec Housing Corporation to carry out the program contemplated in the first part of division IV of the act, may contract loans by bylaw with the approval of the Quebec Municipal Commission. In addition, with the authorization of the Lieutenant-Governor-in-Council, the corporation (the Quebec Housing Corporation) may grant subsidies for research studies in housing and the preparation of municipal low-rent housing programs. It may also grant allowances for the occupancy of lodgings by persons of low income evicted through the implementation of municipal housing programs. The corporation may also make loans to municipalities and to municipal housing bureaus and grant them subsidies to carry out such programs. And, finally, the corporation may grant subsidies to municipalities and municipal housing bureaus to as-

sist them in defraying the operating cost of low-rent housing which they administer.

4) *Programs of non-profit organizations.* Section 62 of the act provides that the corporation "may make loans to any non-profit organization which applies therefor and submits at the same time a program to make low-rent housing available to persons of low income, including students, aged persons, their spouses and their children". Some of the other financial provisions indicated a little earlier in this discussion also apply in this part of the legislation, with the exception of the municipal housing bureaus.

5) *Grievance bureaus.* The Quebec Housing Corporation may establish a bureau for the examination of grievances in each municipality where municipal housing programs have been carried out. Apparently the legislation contemplates that the tenants of low-rent housing may have grievances "relating to the administration of the building in which such a lodging is situated. A grievance bureau of three to five persons is provided to meet at least once a month to hear such complaints.

The remainder of the Quebec Housing Corporation Act deals with various technical matters concerning bylaws, agreements and financial provisions, and the like. This is a major piece of provincial legislation and certainly the most extensive passed by any of the provinces. Yet it has a distinctive quality clearly intended to reflect Quebec's own government system, including provincial-municipal relationships, and Quebec's own special approach to the solution of a very complex social and economic problem.

In my view, the Quebec legislation is bound to be disappointing in its quantitative results unless, of course, there is a very great difference between the political and social climate within municipalities in Quebec and that in the municipalities of most other provinces. The success of the Quebec legislation depends in large measure upon local planning and initiative. A few years ago Quebec was very poorly equipped as far as professional planning within most of its municipalities was concerned. The situation has, no doubt, improved within the last five years, but there must be reservations concerning a fully developed piece of legislation which provides a provincial role that can be played for the most part only if municipal housing programs are developed and sent forward for approval or rejection.

NEW BRUNSWICK — The New Brunswick Housing Act was assented to on May 19, 1967. The act is somewhat more extensive than the Ontario legislation but relatively brief by comparison with the legislation in Manitoba and Quebec. As in the case of all provincial legislation, the government of the province is first empowered to enter into agreements and to borrow funds from the federal government and its agency, Central Mortgage and Housing Corporation, to conduct special studies, to prepare and implement urban renewal schemes, and the like. There is one additional early clause that is rather unique, since it permits the province to make agreements on "training in the construction and designing of houses, in land planning or community planning or in the management or operation of housing projects". This presumably permits the province to subsidize the educational programs of students who will specialize in urban and regional planning, or in housing administration.

In section 3 of the act it is stated that there shall be a corporation to be known as the New Brunswick Housing Corporation, consisting of a president and four other members. The president is specifically designated in section 7 as the "General Manager and Chief Executive Officer of the Corporation", and has supervision over and direction of the work of the staff of the corporation. Both the president and the members of the staff are to be subject to the regulations of the public service legislation. In these various respects the New Brunswick Housing Corporation appears to resemble the Quebec Housing Corporation more than the Ontario Housing Corporation.

The objects and purposes of the corporation are stated in section 9 and their description takes up nine subsections. There are no startling statements among these objectives and purposes, although there are some rather interesting clauses. The governing objective appears to be "to obtain the participation of municipalities in housing projects". However, the objectives do include the study of new housing types and construction methods for the efficient accommodation of families and individuals of low income and the encouragement and adoption of codes of minimum standards for housing accommodation. One additional interesting objective is stated, "to study the usefulness and application of co-

operative, condominium and other forms of housing ownership and their application to housing needs in New Brunswick”.

The province of New Brunswick is unique among the provinces in that a White Paper on Housing was prepared and tabled in the Legislative Assembly on May 12, 1967, a week before the legislation received Royal assent. This White Paper is a well-written exposition of the nature of the housing problem, particularly as it affects the province of New Brunswick, and the programs that might be introduced to solve these problems. It includes a brief history of Canadian housing development throughout the twentieth century; it quotes statistics from the 1961 census and, on the whole, is a theoretical contribution to an exposition of provincial housing roles as they have developed during the past decade. The second half of the White Paper is entitled “A Housing Strategy for New Brunswick”. This part of the paper covers the fields of public housing, limited dividend housing, urban renewal, and outlines government policy on the contemplated New Brunswick Housing Corporation. The text states (p. 16):

The government intends that the Corporation will be the major provincial agent in the field. It is of the utmost importance that the province take advantage of recent improvement in federal housing and renewal legislation, as well as the provisions built into the Regional Development Agreements signed in 1966.

The Corporation will be utilized as an effective medium in any program of housing and community development in which the Province believes it essential to be involved. Moreover, the Corporation will undertake a variety of programs, extending their range until they become province-wide within the framework of federal legislation and financing agreements.

The paper goes on to state the specific roles which the government sees for the new corporation. These include almost all phases of federal-provincial housing arrangements in effect since 1950 and particularly those possible since 1964. Assistance to both universities and industries in the development of residential accommodation is specifically indicated. Naturally, the special problems of rural housing, to which it is hoped the experience gained in connection with regional development programs will be

added, is one of the specific roles for the corporation. All in all, this policy statement prepared by the government of a province which is considered to be "underdeveloped" and which includes just 3 per cent of the Canadian population, is an outstanding contribution to our understanding of housing policy.

NOVA SCOTIA — The new legislation in the province of Nova Scotia is cited as "The Housing Development Act, Bill No. 38 of 1966". Following the customary definitions, part I of the legislation entitled "Administration" states in section 2: "There is hereby established a Commission to be known as 'Nova Scotia Housing Commission' which shall be a body corporate, and shall be an agency of the Province." The housing commission will consist of not fewer than eight and not more than fifteen members appointed by the Governor-in-Council. Since there has been a Nova Scotia Housing Commission for more than 40 years and since the commission was fully described in the Nova Scotia Housing Commission Act, Chapter 118 of the Revised Statutes of 1954, it was important to specify that all of the rights and privileges of the former commission are to be vested in the new body.

The duties of the housing commission are specified as follows :

- a) to study housing needs and conditions;
- b) to make recommendations for the improvement of housing conditions;
- c) to encourage and promote public and private initiative in housing and urban renewal matters;
- d) to carry out and perform such other duties regarding housing and urban renewal as may be directed by the Governor-in-Council.

In these brief statements the legislation is among the most simple within this roster of provincial enactments since 1964. However, in section 6 of the act the powers of the housing commission are specified in considerable detail. Certainly they are spelled out more broadly than the similar portions of the Ontario Housing Corporation Act. In other respects, the remainder of part I of the legislation contains the usual clauses which permit the government of the province to make agreements with all other levels of government through the housing commission, and permit the

housing commission to enter into and carry out agreements with all the other appropriate bodies.

Part II of the Nova Scotia legislation is entitled "Public Housing". This part of the act lays out clearly the province's intention to utilize to the full, if possible, all aspects of section 35 of the National Housing Act as amended in 1964.

The unique part of the Nova Scotia legislation is part III, entitled "Co-operative Housing". The housing commission may "encourage and promote the formation and organization of companies for the purpose of building and providing sufficient and suitable housing units in any part of the province and selling and leasing the housing units". Moreover, the commission may advance loans to such companies, the amounts to be determined by the corporation and to be secured by a first mortgage on the lands and premises used for these purposes. Inevitably the housing commission is given the responsibility of inspecting the plans of such companies, the construction of such housing units, and may determine and fix the maximum rentals to be charged by co-operative housing companies for any dwelling units.

One interesting clause within section 16 of the legislation states that the housing commission may "do any other things that it considers necessary for the promotion, proper site-planning, construction and successful operation of co-operative housing in Nova Scotia". Once again the government of the province is consistent in its retention of the unique contribution of the people of the province to their own housing needs. Co-operative housing in Canada had its birth in the province of Nova Scotia and the legislation since the close of World War I has attempted to promote the spirit of co-operation. This tradition has been carried as a major part of the most recent legislation.

PRINCE EDWARD ISLAND — The Prince Edward Island Housing Authority Act was assented to on April 7, 1966. The act establishes a corporation without share capital consisting of not less than seven members appointed by the Lieutenant-Governor-in-Council.

The heart of the legislation is section 7 in which the purpose for which the authority is established and the powers it shall have are enumerated. The first of these is "to provide family housing units

for families of low income". The authority may undertake housing projects either alone or in conjunction with any municipality within the province and, of course, in conjunction with Central Mortgage and Housing Corporation. It is specifically empowered to "purchase, lease, acquire, convert or construct, maintain and operate property, both real and personal, required or useful for the carrying out of the functions of the Authority". The full list of powers is impressive and inclusive and the authority does have the power to borrow money, either under the provisions of the National Housing Act of 1954 or by temporary loans from any chartered bank. This last is a rather unusual feature of the legislation. The Prince Edward Island Housing Authority is specifically deemed to be for all purposes the agent of the province of Prince Edward Island in the broad fields of housing and urban renewal.

NEWFOUNDLAND — An Act to Incorporate the Newfoundland and Labrador Housing Corporation received Royal assent on April 25, 1967. This piece of legislation is relatively comprehensive among the recent provincial acts, encompassing 44 sections requiring 22 printed pages.

The membership of the corporation is to consist of not less than three and not more than seven members, to be appointed by the Lieutenant-Governor-in-Council. The chairman of the corporation is the chief executive officer charged with the general direction, supervision and control of the business of the corporation and has such other powers as may be conferred on him by the regulations. A vice-chairman is also provided for.

It is interesting to note that the corporation may borrow money for any of its purposes through the issue of bonds, debentures or other securities, a feature not neglected in other recent provincial legislation. But what appears to be new is that the minister, acting for the province, may unconditionally guarantee as to principal and interest any loans in Canadian or "United States of America Currency", to be raised from time to time by the corporation. This is the second reference to provincial guarantees (the first was Ontario) in the legislation and the only reference to the possibility of raising funds in the United States. This matter of the financing of the activities of the corporation is apparently

of such importance, including the minute specification of the guarantees, that exactly one-half of the act (22 sections in all) is utilized before the status, objectives and powers of the corporation are even mentioned.

In section 23 the corporation, in addition to its other powers, is deemed for the purposes of the Expropriation Act of 1964 to be a housing authority constituted under section 15 of the Housing Act 1966 of the province of Newfoundland. The general powers of the corporation are then enumerated in the following sections and in general constitute a breadth of responsibilities which permit a great deal of freedom in the operations of the new corporation. There are some rather interesting features within the specific enumeration of its powers, functions and duties. In particular, although the term "research" is not used, the corporation is empowered "to foster, through scientific investigation and technology, knowledge of housing and of the means of dealing with any conditions relating to the development, control and direction thereof".

There are in addition certain unusual features not present in any other of the provincial legislation. For example, the Newfoundland corporation is empowered (section 25):

- (i) to make streets, ways, bridges, viaducts, sewers, water pipe lines, pavements, gutters, drains, and other works necessary to the development of lands for urban or suburban uses and for housing and community development;
- (j) to make parks, open spaces, recreation grounds or any other amenities appropriate to the development of the province and to plant trees, shrubs, hedges and flowers and lay grass, make paths, monuments and other decorative matters and swimming pools or like places for recreation;
- (k) to procure the installation of tramway lines, trolley bus lines, omnibus services, power and light distribution systems, street or other lights, gas distribution systems, telephone systems, and the like.

The reader of these sections may be forgiven if he wonders whether the new corporation is much more like an urban development corporation than a housing corporation. One could argue, of course, that the servicing of land implied in subsection (i), the development of open space and the landscaping thereof in

subsection (j), are most important and pertinent to the creation of decent and adequate housing accommodation. Why the new corporation should be able to enter the field of public transportation and public utilities is rather puzzling.

Role of the provinces reexamined

In summary, we Canadians appear to have been blessed with a host of new provincial legislation in the broad fields of housing and urban renewal, and all of it since the late spring of 1964. This might indicate, particularly to an outside observer, that the governments of the provinces have suddenly "caught religion" and are rushing to assume their rightful constitutional responsibilities with an enormous dedication to meeting the needs of low-income and disadvantaged individuals and families. It has been remarked previously that not all of the provinces felt it essential to create a device known as a housing corporation, but eight in all (the first of which was Ontario) have felt that this new form of administrative organization is essential to the fulfilment of the provincial role. British Columbia, however, has not established any special housing agency; there is a housing commissioner who is also the deputy minister of municipal affairs, and a special housing assistant has recently been appointed for the province. But the legislation has not been changed. Saskatchewan, on the other hand, has enacted legislation but has not seen fit to establish a new corporation.

The example of the Ontario Housing Corporation has obviously been of great significance in influencing the legislative development throughout most of the other provinces. It is therefore worth emphasizing that the legislation passed in Ontario in the spring of 1964 remains the simplest of all the acts to have been enacted during the past four years. By contrast with the Ontario Housing Corporation Act, the legislation in the provinces of Manitoba, Quebec and Newfoundland, in particular, are massive documents replete with detail and specification. It is conceivable that there may prove to be an inverse relationship between the length and breadth of the appropriate new provincial legislation and the actual housing and urban renewal activity that may result from it.

There are a number of significant differences as one examines superficially the legislative documentation which has thus far come to hand — in fact, there is not much more that one can do at this stage. Most of the provincial legislation is less than two years old and the available statistics do not yet indicate much tangible result from these latest enactments. The following major points of difference, which may or may not prove to be consequential upon examination five or ten years from now, appear to deserve brief mention:

a) The composition and form of the various provincial housing corporations appears to vary in substantial measure across the country. On the one hand, there is the Ontario Housing Corporation, with a board of directors headed by a chairman, on which sits only one public servant, namely, the managing director of the corporation who is also specifically named in the Order-in-Council as the vice-chairman of the board. The board of directors of the OHC is charged with the development of policy and the acceptance or rejection of specific proposals brought forward by the staff of the corporation. The staff has grown in numbers from less than 30 in September 1964 to more than 300 in the spring of 1968.

By contrast, a number of the provincial housing corporations have been specifically designated as small commissions, with three to five members who appear to be public servants, or at least senior administrative officers to the new housing corporation. This appears to be the case in Quebec, for example, and in Prince Edward Island and Newfoundland among other provinces. It is clear that an entirely different form of operation is conceived in a number of provinces than that developed in Ontario, despite the success of the OHC in expanding the stock of public housing in a relatively short time. None of the new provincial housing corporations has been developed exactly on the Ontario model. Whether or not this difference in approach is deliberate and based upon a careful assessment of the experience in Ontario is a moot question.

b) The second important question that emerges from this brief analysis of the new provincial role in public housing and urban renewal concerns the posture which the new corporations will adopt. Once again the position of the OHC appears to be close to

one end of a continuum or distribution of possibilities. The OHC has taken a rather aggressive approach to the provision of housing accommodation by assuming a strong direct role in the entire field. The OHC has deliberately set out to sell its program; it has invited municipalities to participate; it has sent its chairman, members of the board of directors and senior staff members to all kinds of meetings, conferences and seminars, and seized opportunities to acquaint the public with its potential and specific activities. It has attempted to develop an information division which issues press releases, publishes pamphlets in which questions and answers are deliberately provided, and tries to keep abreast of developments in both an aggressive and defensive role. As a consequence of this specific posture the OHC is now a reasonably well-known arm of the government of Ontario throughout the entire province. It is operating in more than one hundred municipalities. Its position on the role of local governments is increasingly better known. It may best be described as a provincial housing authority which can do the job with relatively little contribution from local government, except the formal initiatory role.

By contrast, in most of the other provincial legislation described in this report, the new provincial housing corporations (by whatever name) do not appear, at least on paper, to be an aggressive force within their respective provinces. Most of the new legislation makes it clear that one of the major roles envisaged for the housing corporation is the encouragement of local initiative and the facilitation of local plans, rather than direct provincial action. I wonder, once again, whether in these other provinces a strong and direct activity of the OHC type is considered unnecessary or unworthy, or whether the need for provincial action has not been so clearly demonstrated as it has been in Ontario. This last possibility is extremely difficult to accept when one considers the accumulated evidence of housing need in provinces such as British Columbia, Alberta, Manitoba and Quebec, to name only some of the major jurisdictions.

c) The question of timing seems to be one that the analyst cannot escape. It is entirely possible that the legislators, the municipal officials (elected and appointed) in many of the provinces outside Ontario are simply not yet ready for the direct and

aggressive assumption of responsibility by the government of the province. This is a particularly difficult assumption to accept, however, when one considers the case of Nova Scotia, where the province has been active in the housing field for many years and where the experience in the city of Halifax is worthy of careful study by officials in many other Canadian cities and provinces. It is possible, of course, that in provinces such as Alberta and British Columbia the general public is not ready for a provincial effort on the Ontario pattern. Yet there must be much more to this than the question of timing. Can it be lack of resources to embark upon major quantitative activity in the fields of housing and urban renewal? This is difficult to accept in the case of some provinces; quite plausible in the case of others. But there was never a more favourable set of financial circumstances over the past 30 years than those which now exist in the National Housing Act following its amendment in 1964.

Role of local government

It is probable that the most significant difference between the approaches of the various provinces concerns the provincial perception of the appropriate role of local government in the housing field. In Ontario, after 15 years of federal-provincial partnership in the field of public housing, the total quantitative result was some 7,000 dwelling units for a population of 6½ million. It was perfectly clear that in most municipalities in Ontario there was little or no initiative at the political level to proceed with the long process of implementing federal-provincial housing activity, even if some pressure existed in the particular community for the local council to act. In some municipalities, notably Toronto, there was a great deal of concern about the lack of housing for low-income families and for old people, and the continued existence of many thousands of substandard dwellings. Nevertheless, there seemed to be an impasse; an indefinable mound of intergovernment hurdles over which it was impossible to vault. In other Ontario communities, persistence was eventually rewarded, but "eventually" was often defined as four, five, or more years before initiative, negotiation, preparation, extension of municipal services, and the setting up of a housing authority resulted in available accommodation.

It seems evident in retrospect that the decision to create an Ontario Housing Corporation was prompted in part by the failure of the municipalities to take appropriate action during the years following 1950. This argument may be accepted, even while noting the terrible hurdles that municipalities were forced to overcome, and acknowledging that it is difficult to assign more than a modest share of the blame to local government. Despite this attempt at a balanced assessment, however, there was no doubt as early as 1961-62 that some drastic new form of housing administration had to be developed if the people of Ontario, more than one-third of the total population of Canada, were to be served in any measurable degree with adequate housing for all members of the society. From the fall of 1964 it was obvious that there would be less and less acceptance by the provincial government of the failure of local governments to take action. The province had created a new instrument and expected it to work. Its expectation required that local governments assess the needs in their communities and seek the appropriate services of the newly established provincial housing corporation to meet those needs.

In Ontario this can certainly be viewed as a diminution of the role of local government in housing. Before 1964, local governments were expected to contribute an appropriate share (usually $7\frac{1}{2}$ per cent) of the capital required to create public housing under the federal-provincial partnership. They were also expected to contribute to the losses when such accommodation was rented to low-income families or individuals. This latter contribution usually took the form of a reduction in the normal tax to be levied on public housing accommodation. This acceptance of a flat payment in lieu of taxes or a reduced amount of taxes was, in effect, a local subsidy that kept rents somewhat lower than they would otherwise have been.

The initiation of the OHC brought in a new set of circumstances. Since the fall of 1964 no local government is expected to contribute towards the capital required to create public housing within its boundaries; its contribution to the subsidies required when public housing is rented to low-income families is $7\frac{1}{2}$ per cent which, with the federal contribution of 50 per cent and the provincial contribution of $42\frac{1}{2}$ per cent, constitutes the current formula. At the same time, municipalities in Ontario

receive reimbursement of the full taxes which would have been paid for a privately owned structure on the same site.

Although these are the facts within Ontario, they are not so simply described or necessarily as possible in other provinces in view of current municipal fiscal resources. It is not entirely clear from a reading of the new legislation whether capital contributions by municipalities towards public housing and urban renewal programs (which have ranged from 12½ to 25 per cent in some provinces) have in fact been reduced; nor is the situation with respect to subsidies well defined. As has been indicated, the new legislation appears to place more rather than less reliance upon municipal governments within the various provinces. This can only work out satisfactorily if such expectations are accompanied by sharply reduced demands on the financial resources of hard-pressed local governments.

The role of local government in housing and urban renewal policies and programs continues to be crucial. This statement is made without qualification, despite the experience in Ontario, because of the many roles that local governments do and must continue to play in the lives of all citizens. These roles have been exceedingly well expressed by Matthew Lawson, the former commissioner of planning for the city of Toronto, who writes :

The municipalities are at the receiving end and are expected to play a dual role. First, like all governments, they have to provide services to the community: the roads, water, drainage, etc., that service property directly. Second, they are expected to make sense out of the whole business, producing and carrying out plans for the entire community.

This is a tremendous task. The municipality is asked to take the responsibility of planning its area when it has no jurisdiction over the vital actions of the many departments and agencies of the provincial and federal governments and only limited means of guiding private development, let alone the many other groups (such as school boards) that operate within its territory. *

Although Mr. Lawson was writing about the need for better physical planning in our communities, his statements are quite

* Lawson, Matthew B. M., "On the Need for Overall, Integrated Planning", *The Telegram*, Toronto, May 11, 1968.

pertinent to the role of local government in implementing housing policies.

From a careful reading of all the legislation passed by the federal and provincial governments since 1964, it is obvious that the role of local government in Canada is primarily to implement housing policies enunciated by the higher levels of government. The role, however, is far more crucial than implementation, because initiation continues to be the responsibility of municipal government. If, in fact, municipal officials do not wish to introduce publicly provided housing or urban renewal schemes within their territories, they have many effective devices and techniques at their disposal to block such programs for a considerable length of time. They can be persuaded, cajoled, and criticized, but they cannot always be motivated.

In reality, then, housing policy might be said to lie effectively within the responsibilities of local appointed and elected officials. Although in recent years such responsibilities have been more readily assumed within the province of Ontario, it cannot be a foregone conclusion that within every locality there is sufficient concern to assume the expected roles. As recently as December 1967, in an Ontario city of more than 30,000 persons, full-page newspaper advertisements were placed before the municipal elections, exhorting electors to "Vote No on the Housing Question ! Because It Is Unfair". The main headings of the advertisement, the full text of which is reproduced here, are reminiscent of far more obnoxious opposition placed in the Toronto newspapers more than 15 years ago to the Regent Park North housing project.

THE CHATHAM DAILY NEWS, SATURDAY, DECEMBER 2, 1967

VOTE NO !

on the Housing Question !

BECAUSE

IT IS UNFAIR :

This Plan is scandalously unfair to Chatham's present homeowners. After working all their lives to provide a home for themselves if this vote carries they will find themselves forced to provide a better home than they can afford for themselves, for people who in many cases are earning as much or more than they are. The homes to be built under the Plan must meet at least N.H.A. Standards. These are better buildings than a great portion of the average homes in Chatham. This Plan is not for the relief of the needy, only one-fifth of this accommodation can be assigned to those on Welfare. It is meant for people who have reasonable incomes possibly even above the average. The result is that a Chatham factory worker and his wife who have through years of hard work bought their own home and paid off the mortgage could see built next door to them a better home than they can afford for themselves. In this house subsidized by their taxes would live a tenant who earned at least as much and possibly more than they did. The situation is however even more unfair in the case of a widow. In Chatham one of the largest assets in most men's estates is the family home. A widow can usually live in it, sell it or rent it. It is her security for life. But if this plan is adopted, a widow may very well see her home taxed to provide accommodation that will be used in competition with her, and the security her husband provided for her greatly reduced at her own expense.

YOUR HOUSE MAY BE EXPROPRIATED :

In order to obtain the land for the new housing program land may be expropriated. This means it can be taken without the owner's consent. In theory he is paid in full for it. But experience in Toronto and elsewhere has shown that the compensation paid doesn't enable the owner to buy accommodations as good as the home that he has lost. There is however in expropriation more than money, people put labour and hope into their homes. They have associations of many kinds, such as friends, church, convenience, etc., which are destroyed when the home goes. In short, a way of life is ended.

In Toronto under the Urban Renewal Plan hundreds of people have lost their houses. These were hard working ordinary people who had put in many cases the work and savings of a lifetime into their homes. Everyone feels sorry for them but it is explained that the plan having already started, it is too late to stop it now. In Chatham we know of no specific Urban Renewal Plan. But some of those interested in promoting a yes answer to the Housing question have suggested it is the first step toward such a plan. Before endorsing the housing question Chatham Citizens should know not only the present plan but what it leads to in the future. We question the moral right to take one man's house in order to provide a house for another man who has made no greater contribution to the community and is certainly no more deserving than the present owner.

TAXES :

Neither the rental housing nor the lands assembly have to pay taxes. They can however make grants to the City in lieu of taxes. Such grants however are entirely in the discretion of the authority and can be stopped or altered at any time. There will probably be a tendency for indirect costs to rise in connection with the supplying of the many necessary services and administrative costs. One matter needs clarifying. It is said the City will bear no part of the capital costs and will pay only 7½ % of operating loss. However the capital costs are amortized over a period of years, a portion of the original capital being charged to each year's operation. So a portion of capital will be included in calculating annual loss. Accordingly the 7½ % paid by the City will include a portion of capital which may make the City's contribution substantially larger than at first expected. Costs will increase over the years. As the housing gets older more will be needed in the way of repairs, re-decorating as tenants change, etc., so that the long-term costs will be much greater than indicated by the first few years operations.

THE JOB IS BEING DONE NOW :

On the basis of The Ontario Housing Corporation Report, Chatham will need for its increasing population a total of 893 new housing units between 1966 and 1971. However, in 1966, 255 new units were constructed; in 1967, there have been to the end of October 252 housing units started being more than in 1966 at this time. If the same rate of housing starts is continued to 1971 Chatham will have 1,275 new housing units, 382 more than required by the report. We are familiar with plans to step up apartment building in this area. It would appear clear from the 1967 figures that the

number of housing units started is going to increase substantially over 1966 and by 1971 there will be in this City considerably more new starts than estimated above. The job is being done without the need of taxpayers assistance.

WE BELIEVE IN FREE ENTERPRISE :

Experience has shown that it is best that government should not do anything that private enterprise is capable of doing. The red tape, bureaucratic control and political influence associated with government make its activities both more expensive and less flexible than those carried on by private business. We believe that these considerations would be especially applicable to a plan such as the rental housing plan being submitted to Chatham Electors. In the case of the rental housing plan as has been shown above the estimated need is already filled by private business. Accordingly we would urge that this question be defeated.

IN REGARD TO THE LAND ASSEMBLY PLAN :

There are some places where due to great cost or for other reasons private individuals find it difficult to function. At one time new sub-divisions in Chatham and elsewhere were developed under The Local Improvement Act. Under this plan services were put into a sub-division over a period of years at the option of the people living in the area. Today it is required in a new sub-division that all or nearly all services be put in before the sub-division is actually opened. The cost of such a program is fantastically high and it is difficult or impossible for a private developer to undertake these costs. We believe that the land assembly plan is justified. Under this plan housing will be supplied by private individuals and the lands will be sold in the normal course but the original heavy capital expenditures will be undertaken by public authority. Accordingly we would suggest that a yes vote for the land assembly plan would be justified.

The Chatham-Kent Real Estate Board who are sponsoring this advertisement feel that they must do this in the public interest. Any movement of real estate is to the advantage of the Board because some member would be bound to earn a commission. So if the rental housing question carried, some members of the Board would be bound to gain from it. But the Board feels that as responsible Citizens who make their living in this City that they have a duty to give their fellow Citizens the advantage of their special knowledge and ex-

perience in this field. The Chatham-Kent Real Estate Board is also a member of The Ontario Association of Real Estate Boards and The Canadian Association of Real Estate Boards and subscribes to the principles of both these associations. One of the articles of the Constitution of the Ontario Association reads, "To encourage and protect home ownership and make the ownership of Real Estate desirable". The Canadian Association by resolution has declared, "The Canadian Association of Real Estate Boards steadfastly believes that a political and economic system based on the freedom of the individual and freedom of enterprise is in the best interests of the Citizens of our nation and private enterprise must maintain constant vigilance to guard against undue inroads of government into business. This association is further dedicated to the proposition that nothing should be done by the state which can be done well or better by private enterprise."

Accordingly feeling it is our duty to our fellow Citizens and having regard to the Statement of Ethics of the professional associations to which we belong we feel it is our duty to, by this advertisement, bring these matters to the attention of our fellow Citizens of Chatham.

Local governments are closest to the needs of all citizens, who inevitably live within some local political jurisdiction. It is at the local level that words must be translated into the reality of dwelling units. A close examination of the role of local government in housing policy in the late 1960's shows that there are two principal tasks which only municipal governments can perform satisfactorily. These are (1) development of a housing plan for the community, and (2) maintenance and conservation of the housing stock.

Within the local community the various housing markets can be adequately assessed by local officials charged with responsibility for planning, property management, real estate and housing. It should become mandatory upon all municipalities to prepare forecasts of housing needs for several years ahead and which are capable of annual revision. These forecasts would give private builders an indication of the probable demand for home purchases and would provide government officials with the probable need for publicly provided housing. These forecasts are not nearly so difficult to make as many local officials have claimed. The growth and development of the local municipality, in-migration and out-

migration over a number of years, the age and sex distribution of the population and its income characteristics — these and other accessible data are the primary input of any such forecast. The basic data or reasonably good estimates are readily available.

In most Canadian municipalities more than half of all existing housing is at least 25 years old, and within the central cities of the larger urban centres 50 to 75 per cent of the entire housing stock is at least 50 years old. These facts seem to have escaped the attention of many municipal officials whose responsibility to maintain and conserve this vast resource has often been neglected. A few years ago, with the assistance of CMHC, the Ontario Department of Municipal Affairs conducted a national investigation of these matters, published under the title *A Better Place to Live*. This study revealed that many municipalities were distinguished by their neglect to pass bylaws governing standards of occupancy and of maintenance for older housing within their boundaries. In many other municipalities such legislation had been enacted, but the problem of enforcement seemed to be insuperable. In some cities in Ontario special legislation had been enacted, notably in Ottawa and Windsor, and new systems of enforcement were in the process of development which now, some years later, are demonstrating important results. In other municipalities, such as Toronto, the process has been long on words and enactments and short on action and enforcement.

No modern country can afford to neglect its existing housing stock. Although its national housing policies may give priority to the construction of new housing, the fact remains that the bulk of the population will live, at least for the remainder of this century, in housing which has already been constructed. Neglect of this housing, through failure to specify and enforce standards of maintenance and occupancy regulations designed as far as possible to reduce the incidence of overcrowding, will simply mean that the twenty-first century rather than the twentieth will be the slum century.

BRAVE NEW WORDS

It is now apparent that Canada no longer suffers from a lack of "housing policy", if housing policy can be equated with housing legislation. More legislation, in terms of both number and quality of enactments, has been passed since the early months of 1964 than in the whole of the previous century. If words are indeed forerunners of deeds, then the people of Canada can look forward with considerable optimism to a substantial improvement in their housing conditions.

As has been fully noted in this report, legislation is not tantamount to housing policy *per se* or to the implementation of a course of action intended by the government enacting such legislation. Nevertheless, within the past 30 years we have progressed from the first awakening of federal concern with the housing conditions of Canadians to a situation in which all three levels of government — federal, provincial and municipal — are deeply involved with the housing of every individual and family in the nation.

It must be emphasized that housing policy never built a housing unit. The mere enunciation of the objectives of a public or voluntary body, the passage of legislation through which such objectives are intended to be attained, are not by themselves enough. All the protestations of elected and appointed officials and of housebuilders and land developers, and all the pleas and pressures of voluntary groups and citizens' organizations will be of no avail without the capacity of the national economy as a whole to afford an allocation of resources commensurate with some measurement of human need in this field.

The limits of housing policy are, therefore, becoming clearer to us each year. The federal government can indeed supply funds for investment in residential building activity; but the major portion of such activity will and must continue to be financed — unless we find ourselves through revolution, war or anarchy in an entirely different society than the present one — through the private financial institutions. Although it is surely desirable that the proportion of total investment in Canadian residential building devoted to the so-called public housing sector must increase considerably from its current levels of 5 per cent or less, most Canadians still prefer to acquire housing accommodation within the normal or traditional housing markets, that is, they prefer to buy their own homes if they can somehow manage to do so. Failing this, they prefer to rent apartments under private management.

If these statements and assumptions are correct, federal housing policy is primarily an instrument to encourage the assumption by the provinces of their rightful constitutional responsibilities in this field. In my view, the stance of federal housing activity has been basically correct throughout the past 25 years. Central Mortgage and Housing Corporation should stimulate, encourage, and work towards in every way (short of encroaching upon the constitutional prerogatives of the provinces) better housing and living conditions for all. It can accomplish this through education, research, and active involvement in conferences and programs designed to improve the understanding of the whole situation and its constituent parts.

More important than all these are, undoubtedly, the resources, the hundreds of millions of dollars a year which CMHC is assigned by the government of Canada to allocate towards the implementation of those programs permissible under the National Housing Act. The corporation is an agency and an agent of the government of Canada. It must act as the custodian of federal housing policy as it is implicit in the National Housing Act. Nevertheless, it faces severely realistic limits and these limits become the boundaries of national housing policy. For example, if all the provincial housing corporations were to emulate fully the activity of the Ontario Housing Corporation in recent years there might not be enough federal resources to cope with the demand. The program in Ontario is now some 8,000 to 12,000 new dwell-

ling units a year, plus an additional supply of residential accommodation for university students. If all the provinces were equally active, the total program for this country would be some 25,000 to 35,000 dwelling units a year.

As noted at the beginning of this report, allegations that there has never been a national housing policy have been made more or less continuously for over 30 years. This is clearly ridiculous. What is more important than criticism is to understand and work for an elevation in the priority assigned to residential building within total capital investment. This is a desirable objective and yet it must be seen within the context of the total requirements of this nation.

We require a vast investment in all forms of social capital — in educational facilities, roads and other forms of transportation, airports, hospitals and paramedical institutions, and in special institutions for the mentally retarded and emotionally sick. At the same time, we require a vast investment in human resources, in the training and retraining of hundreds of thousands or even millions of our people who are economically unfit to take their place within the demanding society which is rapidly emerging as we approach the last 30 years of the twentieth century.

The list of Canadian requirements is almost endless. If it can be argued that there is no national housing policy, then it can also be argued that there is no national transportation policy, no national policy on the utilization of human or natural resources, no national policy on air, water and soil pollution, and so on. The heart of this argument is that housing must take its place within the context of all these needs, requirements, demands and pressures which our entire political and economic system faces today, and which it probably always will face in varying degrees in the future. This is by no means to suggest that housing must take a back seat, that the priority for housing expansion must always remain low, or where it is today: it must be seen as one major requirement among a great many. If this can be clearly understood, the limits of housing policy may be more readily amenable to appropriate political and social action.

Within the provinces themselves there is now emerging a new spirit of recognition of the need for decent, safe and sanitary housing, to use the traditional phraseology. This recognition may

be late — may, indeed, be 30, 50 or even 100 years late — but there is little to be gained by arguing that the recognition is belated. What is far more important is to ensure, through political and voluntary action, and specifically through pressure upon elected and appointed officials in municipal government and within provincial governments, that the enunciation of fine phrases, stated objectives and even lists of fine-sounding powers of provincial housing corporations must be translated into the reality of physical accommodation adequate to the needs of families, children, elderly persons, couples (young and old), and individuals and families with different levels of income.

It is a matter for consternation in some metropolitan areas that the list of applications for public housing is growing by many thousands each year. And yet there is nothing mysterious about this phenomenon. It is compounded of two significant phenomena: one within the field of housing itself and one which is endemic to our national and international economic existence.

In housing, as in many other fields of human activity, it can be argued that "nothing succeeds like success". In Ontario today there are many more applications for public housing than in the past, because it appears to the applicants that they have potentially an opportunity to be accommodated. Five years ago an application was a futile gesture. Today there is a reasonable possibility that an application will result in an occupancy within six months to two years. If that concrete opportunity should arise, the applicant always has the right to decline at the critical point and to reaffirm his faith in his capacity to make his own way without the assistance of a new form of social service.

The second factor in the situation is equally well known but perhaps more clearly appreciated: price inflation in the Western urban industrial society. There is no doubt that the price of housing for purchase in almost any of the Western nations, including our own, has risen far more quickly than either wage rates, average individual incomes, or average total family incomes. This is so, a substantial proportion of the new applications for public housing are coming from persons who used to be considered prospective homeowners in perhaps the lowest third of the home purchasers' market. As the price of housing continues to rise rapidly, a larger and larger group of potential homeowners

of the past are no longer capable of seeking a solution to their problem. They are likely to turn to the private market for rental accommodation while applying for public housing at the same time. Again, the crucial test comes when they are actually offered public housing accommodation, and the experience in Ontario suggests that at that time often two in three, or even three in four applicants will turn down an offer of accommodation, for one reason or another.

Provincial housing policy can be seen, therefore, to face limits as serious as those which surround federal housing policy. The ritual of passing the legislation required for any province to participate in the new array of programs available under the National Housing Act has been observed. It is almost as if we were back in the days of the familiar phrase, "there ought to be a law". There are now many laws and relatively little housing. The provincial governments must demonstrate within the next five or ten years that they mean serious business in attempting to provide housing for those least able to meet these needs, or they must give up their role in favour of the central government or turn it over to the local or regional governments which are allegedly closest to the people who really need the housing.

Admittedly, most of the provinces face serious financial strictures in their attempts to elevate the priority previously assigned to housing within their jurisdiction. Most of the activities that are the constitutional responsibilities of the provincial governments have become far more important in the lives of the urban resident of an industrial society — education, social services, labour relations, the development of human resources and, of course, the provision of housing accommodation. So it is not only at the federal level that housing must compete for scarce total resources, it must compete at the provincial level as well. When one considers that the combined population of all four of the Atlantic provinces is less than that of metropolitan Toronto, and that the total taxable capacity as represented by income on the one hand and property assessments on the other are far greater within metropolitan Toronto than in those same provinces, one can begin to appreciate the difficulties faced by certain provincial jurisdictions.

Within the provincial governments there is also the traditional distrust of urban society and the people who inhabit cities, towns

and metropolitan centres. It is well known that despite increasing urbanization, the provincial legislatures continue to be dominated by members who represent rural areas. Redistribution of electoral constituencies has had some effect during the past 30 years but it is still true that the vote of a person who resides in an essentially rural constituency is worth three, four or five times the vote of the person from a large urban centre. In the province of Ontario, some 30 per cent of the population resides within metro Toronto; yet only one-fifth of the seats in the legislature are derived from constituencies within that metropolis. This disparity is not nearly as great as it was 10 or 20 years ago but, in considering the views of legislators on the social and economic problems of our cities, rural domination of the provincial governments is an important fact.

In the census of 1951, 17 census metropolitan areas reported a total population of nearly 8.2 million, that is, about 45 per cent of the total Canadian population of 18.2 million. Although the need for housing accommodation embraces both rural and smaller urban areas, the great bulk of the problem, particularly for families of relatively low income, rests within these 17 census metropolitan areas. It can scarcely be denied, however, that within provinces such as British Columbia, Alberta, Manitoba, Quebec, and New Brunswick, domination of the legislature by non-urban-oriented members has played a substantial role in the past in restricting provincial activity in housing and urban renewal. Until redistribution of constituencies within all the provinces more closely approximates the urban-rural distribution of population, this additional obstacle to the implementation of housing policies will remain strong.

Finally, there are the municipalities wherein almost every person resides. (There are some exceptions, of course, including the Canadian Indians who live on reservations, Eskimos who are nomadic, and persons in various provinces who live in so-called unorganized territories.) The scope and limits of housing policy can be visualized more clearly when one examines the record, the present situation and future prospects within municipalities than in any other political jurisdiction. It is here, at the heart of the urban metropolis, that a great many poor people tend to live, whether single or within families, young or old. Although there

are underdeveloped areas and a good deal of rural poverty in Canada, the stark reality of the lives of the urban poor is never more apparent than when one examines their housing conditions, in terms of both physical and social inadequacies.

It is within our local areas, particularly as they achieve the status of towns and cities, that the impact of price inflation upon all aspects of living conditions becomes more apparent. The rapid growth of urbanization has had its most profound impact upon one of our scarcest natural resources, land. Within the boundaries of most local communities, unless they can be extended by annexation or amalgamation with other municipalities, there is little land available any longer for residential accommodation. As a consequence, the price of land has increased by leaps and bounds during the past 25 years and increases of a thousandfold per acre are not unknown within the major metropolitan areas. Today the price of a single building lot in many urban centres exceeds the total price of the land and the house built upon it years ago.

It is within this climate of demographic characteristics, price inflation and scarcity of either raw or serviced land for housing, that local governments are expected to fulfil all the roles expected of them. It has become obvious that they simply cannot fulfil these functions, even with the best of motivation. But one cannot take for granted that the motivation necessarily exists. Our legislators in municipal government tend to be self-made men and women, small businessmen and a few members of the professions. They are generally quite conservative in their views towards poor people, towards those who require assistance or subsidization in any aspects of their lives, including the provision of housing. In the larger urban centres, as the trend towards cosmopolitanism grows, and as legislators who are more urbane and sophisticated attain office, these situations may gradually change. I do not anticipate, however, that the extent of local government participation through initiatives in the fields of housing and urban renewal will change radically during the next 10 or 15 years.

After careful examination of the "brave new words" which compose federal and provincial housing legislation of the past few years, it is precisely this point that is most disturbing. Because of the reliance upon local government initiatives in many of the provincial enactments, it will be unlikely that much will occur in

public housing unless the interpretation of the legislation includes many more incentives than are apparent in the enactments themselves. There is, of course, a further possibility that the new provincial housing corporations will, in due course, become more aggressive and adopt a posture more like that of the Ontario Housing Corporation. This is not apparent within the legislation, but aggressiveness is often the result of administrative decision and the attitudes of those who are appointed to the senior posts in such corporations. It is perhaps too soon to insist that, on paper at least, several of the new housing corporations appear much more passive than active. Nevertheless, it seems important to raise the question for consideration.

There is a solution to the long-term housing problem but, first, a major change in the attitude of Canadians toward the provision of housing as a social need is required; second, a great deal more planning than has been evident during the past 35 years is necessary. The assumptions of the past about those in need of assistance must be swept away. We can no longer expect to be known primarily as a nation of homeowners: the very pace of our urban economic development makes it absurd to remain wedded to these assumptions of 1945 or 1955. Furthermore, the term "public housing" should no longer be used to mean assistance only to the very poor. Public housing policy must mean the intervention of the federal government and all provincial governments to ensure that the distribution of housing shall be the most appropriate in the *national* interest.

During 1950-64, the proportion of Canada's total investment in residential building actually devoted to the construction of public housing amounted to less than 1 per cent a year. Similarly, the number of public housing units was a very small fraction of the total housing stock in any community. With the rapid acceleration of the program of the OHC during 1965-67, the proportion of investment in the public housing sector has risen to about 5 per cent. No doubt there will be a further increase as the new provincial housing corporations develop their own programs. It is my view that this percentage must rise during the next decade to at least 10 per cent and preferably 15 per cent, not merely of investment but of dwelling units constructed each year.

The most important change or set of changes that could be made in our national housing policy would be a formal declaration that the federal and provincial governments intended, during the remainder of this century, to discriminate in favour of families and individuals in the bottom half of the income distribution. This group would include Canadian Indians and members of other minority groups. It would include the elderly and the not-so-elderly who are single, widowed, or otherwise alone in our society; families headed by women with dependent children; families of chronically ill male heads; and intact families of fully employed parents whose incomes are clearly insufficient to enable them to rent or purchase housing in the private market and at the same time maintain a standard of living below which we would not want any Canadian family to fall.

This change in national housing policy would be discriminatory. It would discriminate against the well-to-do and against the homeowner in favour of all those individuals and families who really need substantial assistance to enable them to partake of some reasonable share of the national affluence. The declaration of such a policy would be salutary although not enough in itself. Our legislation, at both the federal and provincial levels, has always been distinguished by its terseness and paucity of policy objectives. It is not good enough to state that the National Housing Act is "An Act to Promote the Construction of New Houses, the Repair and Modernization of Existing Houses, and the Improvement of Housing and Living Conditions". It is time to borrow a leaf from the U.S. book and to point out *why* we must enact adequate housing legislation in the major legislative councils of our nation, and for whose benefit it is being enacted.

The only way in which our determined and clear-cut statements of policy will be translated into reality will come as a result of federal-provincial planning, not merely from year to year, not merely for five years at a time, but for at least one or two decades ahead, if not for the remainder of the century. Each year the federal government should be able to provide the provincial governments with a statement of the anticipated total housing programs within the entire nation, whether under private or public auspices. It should also be able to tell its provincial partners what financial re-

sources seem to be available, and at what cost, to accomplish this purpose. The next step would be federal-provincial planning of the allocation of these resources toward the segments of our population requiring housing.

The private sector should know well in advance what proportion of our resources could be devoted to the well-to-do purchaser of housing; what proportion could be made available, on terms such as those of the National Housing Act, to another segment who may wish to become homeowners; and what proportion should be made available to provide housing, for sale or rent, to the mass of people who require a good deal of help in this important area of living.

Each province would have to determine how its share of resources would be allocated within the respective segments of the provincial economy. The time has come for our provincial governments to reconsider their permissive view of local government activities in housing and community planning. A reversal of the traditional approach would mean that our local governments would be required to plan future development within their jurisdiction and, in this course, they would be required to create a housing plan, perhaps for five or ten years ahead, but certainly composed of annual target objectives. The local option to undertake such planning should be removed and each *urban* area, at least for a start, should set a housing objective within which the public housing component would be clearly identified. If the target objectives were not appropriate in the view of the responsible provincial agency, the local plan should be returned, as many draft "official plans" are now sent back in Ontario, without the approval of the minister. The targets would include slum clearance and urban renewal, as well as firm additions to the housing stock to be allocated appropriately within the housing markets in the community.

Admittedly, forward planning will not by itself produce the required housing. There must be action and the action will involve almost every local government and certainly every provincial government. By "action" I mean the initiation and implementation of specific housing programs which will translate federal-provincial planning into reality. Finally, initiation and implementation will be inhibited unless each provincial government

examines and restructures its administrative machinery for physical planning and housing. We can no longer tolerate the three to five years' interval between initiation and occupancy of housing which has been characteristic of Canadian experience from 1950. Only in Ontario has there been a great improvement in this situation.

The reality is that we have neglected more than half of our population for the past twenty years. We have saddled a large proportion of them with mortgage debts that restrict their capacity to command appropriate goods and services, to maintain an acceptable standard of living and to provide an education for their children. Although we have created a nation of homeowners, the fact is that only those in the upper 20 per cent of the income distribution can truly afford to provide the opportunities which their children need to make their way in the modern automated society of the next thirty years.

The Rising Cost of Housing and Problems of Financing

Wolfgang M. Illing, Economic Council of Canada

INTRODUCTION

It is a commonly held view that the price of housing has soared in recent years and that this price increase lies at the root of many of our present difficulties in the housing market. Is this a valid view and in what particular respects is it an accurate description of the situation?

If we speak about the actual product of the construction industry (houses, apartments, etc.) this view would be only partly true. The official index of construction costs per square foot of living space has increased relatively little over the longer term (although there have been short-term fluctuations due to cyclical influences); in addition, these official measures of cost tend to understate quality improvements in construction. It should be noted as well that average family incomes have risen appreciably more than building costs.

The components which *have* increased sharply in recent years are the cost of serviced land in urban centres and the cost of borrowing money to acquire residential property. But even here the picture is not clear. The higher cost of land only partially reflects land price inflation since important qualitative improvements are also involved. The present high cost of financing, on the other hand, is a symptom of a variety of complex and pervasive factors that originate outside the housing sector. Although there are many other areas of concern, the rising cost of land and the high level of interest rates are of critical importance to the discussion of housing costs and the feasibility of corrective measures.

The search for ways of providing adequate housing for those unable to do so on their own may be considered a proper objective of public policy. Urgent as this problem has always been, the recent price and cost trends seem to have turned it into an uphill battle. Not only have the required resources become much more expensive, but the portion of the population unable to obtain adequate housing has tended to increase to the point where it now includes numbers of lower and middle-income families who, in other circumstances, would have been able to look after their housing needs satisfactorily.

It is important to recognize that rising costs and wages exert an uneven impact on different income groups. A large part of the population manages to stay ahead in the inflation process — those with strong bargaining power, those working in fast-growth industries and in buoyant geographic regions, those deriving their income from assets which gain in value during inflation, and many who are at least partially protected by home ownership. At the same time, growing numbers of households get left behind in this process. Besides those who always have difficulty in keeping pace with the growth in living standards — persons living on fixed incomes such as pensions — there are wage earners in certain industries, in slow growth regions, in weak bargaining positions, whose incomes tend to lag behind under inflationary wage and price conditions, at least in the shorter run.¹

¹ Much more research into income distribution and the effects of inflation on income growth and spending patterns of various income groups is required to provide a sound base for policy formulation.

THE COST OF LAND

Central Mortgage and Housing data² show that housing costs — including land, construction, and changes in size of dwelling — have risen by over 70 per cent in the last 15 years. When cost increases attributable to the increase in average size of dwelling are excluded from the calculation, the increase is closer to 60 per cent. Included in this figure are a rise in land costs of over 200 per cent and a rise in construction costs per square foot of about 40 per cent.³ In the process, land costs rose from around 10 per cent of the total cost of a new house in 1951 to 17 per cent in 1967. In Ontario this proportion rose to 20 per cent, or about the same as the U.S. average, where land costs for housing financed under the Federal Housing Act almost tripled over the past 15 years.

The rate of expansion in land costs was particularly rapid in the 1950's, slowing somewhat toward the end of the 1950's but accelerating during the present decade. It has become especially pronounced in recent years. Measures of recent land price inflation probably understate the increase since they are based on available National Housing Act data, and a relatively greater proportion of NHA money has been used for financing houses at the lower end of the cost scale in recent years.

Behind the complex pattern of forces pushing land prices upward, it is possible to distinguish two main kinds: those forces which are largely irreversible and relate to the nature

² See Central Mortgage and Housing Corporation, "The Cost of Serviced Land" (Special Housing Paper, 1968).

³ Over the same period average family income has more than doubled.

of population growth and rising living standards; and, second, those which have their origin in certain requirements and procedures of local government, all of which are potentially amenable to improvement but which in practice prove to be somewhat inflexible and slow to adapt to changing circumstances.

Long-term tendencies

An important element contributing to the cost of building lots is the improvement in the quality of services and the change in the method of financing such improvements.⁴ The 1950's saw a growing tendency for municipalities to require the installation of a variety of services by the builder or land developer. This requirement represented a shift of the cost from municipal taxes to the cost of the building lot itself and accounts to a large extent for the rapid price increase during that decade.

By the beginning of the 1960's the cost of such services was included in the price of about two-thirds of NHA-financed lots, presumably mostly in the large urban centres. This proportion has remained approximately the same since then and it would appear that this method of financing has probably not been as important a cause in subsequent land price increases as it was in earlier years. However, other developments have added to pressure on serviced land prices in some cities. For example, developers are now required to pay for the cost of main-line services, to provide land for schools and parks, etc., and even to pay flat fees for each lot developed to assist the municipality in defraying the cost of education and other services arising from new residential development. This type of municipal requirement tends to shift a portion of the *general* municipal costs to the purchasers of new lots. In some areas this process has even gone a step further in that certain municipalities attempt to reduce *future* demands upon their general revenue by requiring developers to provide services that are even more extensive or of a higher quality than those required in the past. Requirements

⁴ This change represents to a large extent a shift from paying for improvements on a continuing basis to paying for them at the outset in a lump sum.

such as these are an indication of the widening gap between the growth of municipal expenditures and municipal revenues.

Undoubtedly a principal factor contributing to spiralling land prices is the increasing concentration of the Canadian population in large urban centres, rendering land a factor of increasing scarcity value.⁵ It may seem strange to speak of land scarcity in a country of 3.9 million square miles occupied by only 21 million people, but given the continually changing nature of our economy and the underlying trends in industrial structure, income and employment opportunities become more and more concentrated in the large urban areas. The relentless population growth in a limited number of areas across the country maintains the pressure on serviced urban land and results in rising costs to the individual.

Under conditions of urban expansion, the process of rising costs is inexorable, even when there appear to be wide differences in land costs between newly serviced areas at the periphery of cities and areas closer to the centre of activity. The buyer of a house of comparable quality has a certain option in the price he pays — either by buying a more expensive property closer to the centre, or by moving farther away but paying more for transportation, time lost in commuting, etc. As an urban area expands, the market implicitly discounts the capitalized value of travel and time savings for residential land closer to the city centre by placing a higher value on it.⁶ Under conditions of urban expansion, this process continues to operate, and yesterday's peripheral areas become today's "closer-in" suburbs. At the same time, the economies of distance and expansion continue to raise the price of urban residential land.

⁵ The process of urbanization has been going on for centuries. However, Canada has been experiencing, and continues to experience, rates of urban growth which far exceed historical rates and those experienced in other industrialized countries including the United States. See Economic Council of Canada, *Fourth Annual Review*, chap. 7.

⁶ Similarly, the construction of urban transportation arteries (expressways, subways), or the mere indication of their possible future construction, raises land prices in areas adjacent to such facilities, transferring thereby an important portion of the planned community benefits to the owners of private land.

Special influences

Other important factors have aggravated these underlying long-term tendencies. First, the organization and structure of local administration has not kept pace with the expansion of cities. The largest and fastest growing urban centres contain a bewildering multitude of local jurisdictions whose boundaries and responsibilities are ill-adapted to the efficient servicing of the requirements of the total population. Nor does a more appropriate structure of government appear very close to realization. The imperfections of the system are especially evident in facets of urban government that bear on land utilization. Even under the "metro" system, the most advanced form of regional administration yet put into practice, zoning and building requirements differ widely within the metro area. Distribution of new construction between industrial, commercial and residential use and, within the residential sector, between single and multiple dwellings, is subject to local control and short-term interests. Similarly, there is no consistency in the policies or practices of municipalities on the servicing or releasing of land for building; in some cases, in an attempt to ensure sufficient municipal tax revenues, serviced land is restricted to dwellings above a certain assessed value. These practices frequently do not coincide with the underlying patterns of demand from growth in the region as a whole. The lack of "fit" between the supply of serviced land on the one hand and the location and timing of demand for land on the other undoubtedly adds to the cost of residential building lots in larger Canadian cities.

The process of obtaining public approval for private land development is frequently cumbersome and time consuming. Authorization must be obtained from a large number of agencies and departments at the various levels of government, each having its own special requirements and its own speed of doing things. Only the expectation of substantial profit will, in many cases, induce developers to undertake this.

The scarcity and cost of land is increased by some local authorities by various practices that are designed to prevent the development of less expensive housing for lower income families. Zoning and other controls encourage the establishment of high-assessment developments such as expensive houses or high-

density apartment buildings. The resulting pressure on land prices occurs when there is any rise in tax revenues from new residential development above the level of cost to the municipality.

The very "climate" of inflation probably exerts some influence on urban land prices. When prices rise and when further substantial price increases are anticipated for future years, land and real estate become preferred objects of investment. There is always some land speculation going on. The question is whether there is more of it as a result of prevailing or anticipated inflation in the general price level. It would be interesting to know to what extent investors attempt to acquire real estate as a hedge against inflation, and what effect this might have on land prices.

In summary, the following are the factors in rising land costs:

1. The cost of building lots has risen appreciably faster than increases in building costs.
2. To an important extent such cost increases are the consequence of largely irreversible tendencies such as growing urban concentration of population and economic activity, rising quality of municipal services, and changing methods of financing such services.
3. In many cases, these cost increases are aggravated by peculiar practices on the local government level, or by administrative inefficiencies.
4. Finally, there may be some connection between general inflation and the price of urban land.

Proposals on land costs

Obviously, public policy cannot deal with all the aspects of rising land costs. We cannot, and do not want to, stop urban growth or the development of services which raise the quality of urban life. This process will continue for many more years.

The particular problem of general inflation and its spillover effects on the increased demand for owning land is most effectively dealt with in the broader context of monetary and fiscal policy, both domestic and international. It should be noted that disproportionately large gains accruing to persons or institutions as a consequence of inflation are not restricted to residential

land but occur in many other transactions. This type of income transfer, to the extent to which it cannot be prevented by the failure to counteract inflation itself, has important implications for taxation policy (for example, capital gains tax).⁷

In light of the factors in rising land costs, there are several possible courses of action.

a) Provincial governments could accelerate the creation of regional governments embracing all municipalities and adjacent districts in the large Canadian urban agglomerations. It is generally acknowledged that existing administrative structures are no longer adequate or appropriate. Within the same urban region people tend to work in one municipality, live in another, shop in two or three others and travel through several more in the process. In many ways they have in effect become citizens of the entire region, sharing the benefits as well as the problems of the region as a whole.

Several different forms of administrative reorganization have been proposed, some of which have already been tried. Obviously other considerations besides pure rationality affect the possibility of local government reform, but it may be worth indicating certain minimum conditions that appear to be necessary for a more efficient use of land. These are, first, the inclusion for planning purposes of all areas geographically within the direct economic and social sphere of an urban centre, and second, a one-tier authority that is capable of meaningful long-range planning of land use, transportation facilities, etc. It should be emphasized that these conditions are proposed only in relation to the function of land-use planning and its associated problems and are not necessarily in conflict with arguments in favour of multilayer authorities which might be considered preferable for the solution of other types of urban problems. Such an approach would afford some hope of mitigating the undesirable effects on cost, scarcity, and use of land now produced by a multiplicity of local jurisdictions.

⁷ But it should be noted that there are sources of capital gains other than those arising from inflation — market imperfections, differences in productivity growth, etc. It is important to distinguish between these sources.

The economic rationale for this proposal is twofold. As long as there is more than one authority within an urban region with responsibility for determining land use there will be a correspondingly greater risk of incongruence between the supply of land and the demand for it. The greater this lack of "fit" (either in terms of timing or location) the greater will be the cost distortion. Moreover, a single agency with authority over a sufficiently large area (defined, for example, in terms of commuting distance to the centre of an urban area) would be capable of preventing the "spillover" effects that otherwise result from settlement in areas just outside the jurisdiction of a municipality. Such development at the fringes is now rampant and presents the danger of high future costs to society when these areas must eventually be integrated and brought up to the standard of the better planned parts of the city. Even if it should prove impossible for political or institutional reasons to establish single-tier regional governments large enough in area to assure the most efficient planning, we should at least be aware of the cost entailed by such a decision.

b) The need to strengthen municipal financing becomes daily more urgent especially in the costs of improved transportation, urban planning and renewal, public housing, pollution control, expansion of health care facilities, etc. Financial pressures have an important influence on the attitude of local governments toward land use. Not only do they attempt to limit new construction to high-assessment residential and industrial properties, but in doing so they contribute to the scarcity and high cost of land needed for low- and middle-income housing. Reference has already been made to the tendency of some municipalities to try to shift more costs to the buyers of new property than is justified by the cost of the new development.

The investment needs of junior governments have already outstripped the ability of their traditional sources to supply these needs. On the other hand, federal revenues, especially income tax collections, tend to grow faster than the growth in money incomes, particularly under conditions of high economic growth. The buildup of government pension funds may provide a ready source of long-term funds for junior governments (reducing to a certain extent their resort to private capital markets), but the

transfer of funds from the federal government is likely to remain a persistent problem.

c) Research is needed into methods and consequences of direct government intervention in the market for residential land. Most proposals about public land assembly fail to consider the redistribution effects involved in reselling land to individuals "at cost" or at some other price below prevailing market prices. These questions demand particular attention if public expropriation powers are used to assemble land. Is the purpose of such schemes to provide an *intended* subsidy to low-income families, or do they result for the most part in windfall profits accruing to homebuyers who do not really need to be subsidized at public expense? Is public intervention in a particular market for land likely to be sufficiently massive and long-lasting to have a perceptible impact on all land prices, or will it be so weak and sporadic as to have no effect on general land prices? In the latter case, public intervention would either be meaningless (if lots are resold at market price) or would involve potential inequities (if lots are sold below market price). More study is needed not only of the potential for public land assembly, which is undoubtedly large for low-income housing purposes, but also of its public costs in relation to effects in other areas.

The best approach for assuring a large and steady supply of land in the long run would be to restrict direct public intervention in the market for land to those instances where subsidy is both intended and required, and to ensure that the market itself is functioning more efficiently than it is at present, within the context of a more flexible and rational approach to urban land-use planning as suggested in point a) above.

d) Apart from the need to reduce high land cost, it has been suggested that the building industry could become technologically more efficient and that the federal government should abolish the 11 per cent sales tax on building materials. These two aspects are not unrelated. The main reasons for exhorting the building industry to use more advanced construction and organization methods is the relatively slow increase in the output per employed person in this industry over the past decade or more. A number of points, however, must be considered. First, the productivity growth rate over this period has probably been seriously under-

estimated as a result of difficulties in statistical measurement. Second, the productivity measure, based on employed persons only, ignores the possible contribution made by changes in the quality of the labour force and capital investments. New Canadian housing would appear to compare favourably with that of most other countries, suggesting that the level of productivity is more or less in line with known technology.

Nevertheless, there may still be some scope for greater savings of on-site labour costs through further prefabrication, etc., but the cost-saving effects from this in relation to the overall cost of acquiring housing are probably too easily overestimated. The tax on building materials, apart from adding to the cost of the final product, tends to retard the introduction of labour-saving technology since it penalizes the inefficient use of building material — a plentiful and rather inexpensive production factor in Canada — rather than the inefficient use of labour and organization talent, which is the scarce and expensive factor input. If there is any reason to tax the construction industry at all, the building material sales tax is one of the least desirable ways of doing it. The main difficulty of course is to find a convincing justification for the continuation of this tax in the first place.⁸

⁸ The Royal Commission on Taxation (Carter Commission) recommended the abolition of this tax.

THE COST OF FINANCING

It is clear from the preceding discussion that increases in the cost of urban building lots since the war have been substantial. What is often not so fully appreciated is the even *larger* impact on housing costs which has arisen from the increases in interest rates over the past few years. The rise in interest rates from about 6 per cent to about 9 per cent has added more to the monthly payment of an average mortgage than a \$5,000 increase in the price of the building lot would have added without a change in the interest rate.

The following example illustrates the effects of rising interest rates on mortgage repayments. The calculation is based on the purchase of a single-family dwelling of a total price of \$20,000, including \$4,000 for land and \$16,000 for all other items including building costs.⁹ A typical first mortgage under the National Housing Act for such a purchase would be \$16,500, with a term of 25 years.

<i>Interest rate</i>	6%	7%	8%	9%
<i>Monthly payment</i>	\$106	116	126	137
<i>Total repayment over 25 years</i>				
Principal	\$16,500	16,500	16,500	16,500
Interest	15,200	18,200	21,300	24,500
Total	31,700	34,700	37,800	41,000

⁹ In Toronto, which in 1967 accounted for less than 10 per cent of the Canadian population and over 20 per cent of all housing starts, the cost of an NHA-financed bungalow was significantly higher, due mainly to higher land costs (\$24,900 which includes some \$8,300 for land).

High interest rates plus rising land costs have substantially raised the level of annual income needed to secure a mortgage compared with previous years.

The rental market is also subject to the same types of cost pressures. A rise of 3 percentage points in interest rates, for example, may add between \$15 and \$30 or more to the monthly rent of a new apartment, depending on its size. Rising land prices have a similar impact on rents. Therefore, not only are more families excluded from the market for the single-family dwelling, but it is also much more difficult for them to find relief from the pressures of rising land and financing costs in the rental market. Even older apartments are exposed to the pressures of rising interest rates since many conventional mortgages provide for periodic renegotiation of interest rates. Moreover, in conditions of scarcity there is always the temptation for landlords to raise rents to the level required to pay the prevailing interest rates whether they are actually being paid or not.

Despite the sharp increases in interest rates on residential mortgages, there has been a slowdown in recent years in the flow of funds into residential construction. The absence of adequate mortgage financing and the resulting shortfall in new construction have further aggravated pressures on rent and house prices in many urban areas.¹⁰

What are the reasons for the high interest rates on mortgages? What causes the shortage of mortgage money? Is it a temporary problem or has the basic mechanism which determines the allocation of resources between housing and other uses broken down? Does the explanation rest with the adequacy of the response of financial institutions, or with the overall supply of resources in the Canadian economy?

¹⁰ It should be noted however that it is very difficult to talk about some absolute level of demand which must be met in the short run, since a slower growth in the supply of new housing would tend to retard the growth of certain types of demand, namely that arising from non-family household formation, the undoubling of families living together, demolitions, etc. The consequence tends to be some shortfall, as witnessed by falling vacancy rates, and also by a less rapid improvement in general housing standards than would occur under conditions of more plentiful construction.

Domestic and international factors

There is a strong relationship between inflation and expectation of more inflation on the one hand, and the cost of borrowing and the type of financial security preferred by lenders on the other. When prices rise rapidly and when further price increases are expected, lenders attempt to maintain the real rate of return on long-term fixed income securities, such as mortgages, by making money available only at higher rates. If they did not act in this way they would find the real earnings on their long-term investment in fixed income securities considerably diminished or even completely wiped out by the decline in the purchasing power of currency and by taxes.¹¹ Under such conditions, lenders will also seek to change, insofar as they are able to, the composition of their investment portfolios in favour of instruments that have a greater degree of certainty of compensation for the effects of inflation — instruments such as stocks, convertible bonds, etc. — or in favour of short-term securities which do not tie up their resources for long periods. We should be careful not to apply moral judgments to such behaviour. Financial institutions are not the owners of the funds which they invest but merely agents acting for others, including the millions of Canadian families who have savings in pension funds, contractual savings, accumulating deposits intended to yield income at retirement, etc. Financial institutions are expected to provide the best possible protection of the value of savings and to obtain the best possible return on them.

In Canada, conditions encouraging this shift in the preferences of lending institutions began to emerge by the mid 1960's. As the economy approached full employment, wage and price increases mounted. They are still high at present in spite of the slowdown in economic activity during 1967. The persistence of high interest rates and lenders' shifts in preference are reflected in the high cost and shortage of residential mortgage money.

¹¹ Interest earnings from fixed income securities (bonds, mortgages, etc.) are subject to full income taxation. Dividends from stock shares are taxed at a much lower rate while capital gains are not taxed at all.

Internationally, the demand for capital is also extremely high not only from industrialized countries but also from the virtually unlimited needs of developing countries. At the same time, lenders have become increasingly cautious about supplying funds. Inflation and the fear of further inflation of general prices and a series of disturbing international events have undermined confidence in the stability of currencies. The persisting deficit in the U.S. balance of payments continues to complicate the international liquidity situation. As a result of this combination of factors, the rates at which funds are made available have risen substantially over the last few years.

Probably one of the main causes of recent inflation was the attempt by the U.S. government to finance simultaneously the heavy expenditures on the Vietnam war and the Great Society welfare programs. These expenditures led to a substantial monetary expansion and, as the economy approached full employment, to price and cost increases. Attempts, as early as 1965, to raise funds for the war and welfare efforts through tax increases were frustrated. In the absence of fiscal measures (tax surcharge, spending cuts) which might have counteracted inflation, the U.S. central bank sharply halted the rate of monetary expansion from the middle to the end of 1966. After this brief but violent bout of what has been described as the "credit crunch", monetary expansion was again resumed. However, this time interest rates continued to rise despite substantial monetary expansion, reflecting not only the continued growth of public and private demand for capital, but also the changing attitude of investors and institutional lenders of long-term funds. Investors became apprehensive about getting caught in another sudden and total credit squeeze, and were willing to hold, in reserve, relatively larger quantities of liquid funds, even at the added cost involved in this. Institutional lenders, of course, also changed their views on the composition of their loans, tending to shift to securities deemed to provide a better protection from anticipated inflation.

The continuing rapid monetary expansion in the United States — fostering inflation and aggravating the balance of payments — came to be increasingly viewed with distrust on the international foreign exchange and gold markets. In the fall of 1967, the

uncertainty in international markets precipitated the devaluation of the British pound, and the period immediately preceding and following this action was accompanied by substantial gold purchases by private hoarders. In the wake of speculation about which currencies would follow the British example, a general distrust of paper money became rampant. The convergence of the loss in confidence in paper currency, the continuing balance-of-payments deficit and the maintenance of inflationary conditions which were bound to further aggravate the payments deficit, led to the remarkable "gold crisis" which is still fresh in memory. The series of remedial measures which followed temporarily cooled at least the symptoms of the crisis — the 1968 imposition of compulsory guidelines on U.S. investment flows to many industrialized countries and the repatriation of earnings from abroad, the loosening of the ties with gold, the shoring-up of the reserves of several other countries, including Canada, which were caught up in the aftermath of the crisis, and finally, as of mid-1968, U.S. legislation raising taxes and cutting expenditures. However, the more fundamental problems in the continuing U.S. balance-of-payments deficit, the roots of which are deep-seated and of long standing, have not changed. There is also the recent series of international upheavals — the Mid-East war and prospects of further conflict, the strikes in France, the events in Eastern Europe, and the protracted nature of the Vietnam war which seems to defy early settlement. It is not surprising to find confidence in the stability of paper currencies decline under these circumstances. Countries are becoming increasingly apprehensive of holding each other's currencies, especially if such currencies are considered wasting assets due to inflation in the other country. This apprehension, of course, continues to add to the wariness of investors to make long-term commitments, and hence to the worldwide high cost of capital.

The Canadian economy, being relatively open and dependent on foreign capital and trade, is of course exposed to developments beyond its borders. This does not mean that the inflation and high interest rates which we are now experiencing are entirely the result of events in other countries. Canada, like the United States, experienced its longest business cycle expansion during the first half of the 1960's. Among the factors of particular

importance in raising prices were the construction boom from 1963 to 1966, the effects of which have continued to work their way through the economy with long lags; the wage and salary increases which took place in the face of relatively weak productivity gains; and the sharp rise in expenditures by all levels of government, especially during 1966-67. Since these were not entirely offset by increasing taxes, government cash requirements rose substantially, adding to the upward thrust in interest rates in Canada.

However, while domestic price and cost pressures have made an important contribution over this period, Canada's link with developments beyond its borders, especially in the United States, while always close, has now become even more tightly meshed. In 1962, the Canadian dollar was devalued in relation to the U.S. dollar and put on a fixed parity. Further, in return for exemption from the U.S. interest equalization tax, Canada agreed to place a ceiling on its foreign exchange reserves. This agreement was reconfirmed, for the time being, in connection with the 1968 U.S. balance-of-payments measures exempting Canada from the new restrictions on capital outflow from the United States. Not only have the channels been thereby widened through which price, cost and interest rate increases are transmitted from one country to the other, but the constraints on the use of Canadian policies necessary to deal with such increases have become even more severe.

Finally, it was not only the high *rate* of inflation in Canada which caused concern, but also the fact that it was substantially higher than the rate of inflation in the United States, especially over the past three or four years. The devaluation of the Canadian dollar at the beginning of the 1960's provided, in fact, some scope for Canadian prices and costs to rise in relation to prices and costs in other countries, without giving up competitive advantage. While the existence of slack in the economy up to 1964 tended to retard the price and cost effects of devaluation, this process was accelerated as the economy reached fuller employment by the mid-1960's. Price increases for goods and services may continue to be more rapid in Canada than in the United States, largely because of this factor.

While these trends will likely continue to keep capital scarce and expensive on a worldwide scale, there could conceivably be certain periods of reduced pressure on Canadian interest rates even in the absence of more permanent adjustments in international payments and parities. Such could be the case if, for example, there should be a temporary cutback in the rate of expansion of the U.S. economy, although it is unlikely that the emergence of more permanently deflationary conditions would be permitted. On the other hand, the continuing effects of the devaluation of the Canadian dollar and our undertaking to put a ceiling on our foreign exchange reserves could also have some downward impact on interest rates in Canada at certain periods. Since there is still scope for Canadian prices and costs to adjust to external levels, and since this implies a tendency for our foreign exchange reserve to grow, action may have to be taken by the Bank of Canada to lower interest rates every once in a while in order to reduce the pressures causing exchange reserves to rise. However, such temporary adjustments should not divert attention from the persistence of more deep-seated problems and their continuing pressure on the availability and cost of capital.

In summary, the following are the major factors contributing to the high cost of financing:

1. The demand for capital is high on a worldwide scale.
2. Because of a number of international developments — high rate of inflation, U.S. balance-of-payments deficits, the war in Vietnam, political upheavals, etc. — confidence in the stability of currencies has weakened, and lenders are wary about supplying funds.
3. Not only are interest rates rising under such conditions, but the preference for various types of securities changes to the disadvantage of long-term fixed-income securities such as mortgages.
4. The United States is faced by a persisting dilemma: on the one hand, the necessity to pursue full employment policies to avoid mounting unemployment under conditions of extremely rapid labour force growth — i.e., policies which imply easier money and credit, as well as a certain amount of inflation (depending on the choice of trade-offs between unemployment

and price increases) — and, on the other hand, the need to pursue more deflationary policies designed to correct its balance of payments.

5. Canada has become more closely tied to developments outside its borders, and is therefore likely to be affected not only by existing pressures on interest rates, but also by developments in prices — with an *additional* push arising from the remaining scope for Canadian prices and costs to rise more than those in the United States.

Economic potential and the allocation of resources

The persistence of price increases and high interest rates, due largely to factors beyond our control, should not obscure our large potential for economic growth. Recent projections by the Economic Council of Canada indicate that potential growth (that is, full employment growth) of the Canadian economy to 1980 implies an almost two-thirds increase in average real income per head of population. This will be accompanied by rising demands which are already beginning to make themselves felt and which reflect important demographic changes, more household formations, higher quality accommodation, more consumer durables, pressure on higher education facilities and growing demands for improving the quality of life in the cities. The ability of the economy to satisfy these growing demands appears favourable. Significantly, the labour force will grow much faster than the total population, largely as a result of much fuller utilization of our female labour resources.¹² The proportion of aged in the population will not rise significantly, birthrates are likely to continue their sharp decline and growing numbers of families will have more than one income earner. Obviously, conditions such as these could greatly facilitate the solution of many urgent and long-standing problems that can only be resolved through collective action. The ability of the economy to supply the

¹² At the beginning of the 1960's, Canada had probably the lowest proportion of population engaged in the production of goods and services — 36 per cent compared with as much as 50 per cent in other industrialized countries. By 1980 the share in Canada is expected to rise to 43 per cent.

required savings should continue at an adequate level considering the historically stable savings rates and the expected high rates of economic growth.

While the availability of physical resources will be much less of a constraint in dealing with most of our urgent needs than has been the case over much of the postwar period, we will nevertheless have to contend with the effects of continuing inflation and persisting high interest rates. This means that in addition to the traditional problem of providing housing for low-income households, there will be difficulties in financing housing for large numbers of middle-income households whose incomes tend to lag in relation to other wage-price increases and in relation to the cost of financing or renting adequate housing space. It would make good sense under these conditions not only to redistribute the uneven benefits of economic growth — a problem which is always with us — but also to redistribute the uneven increases in incomes caused by inflation.¹³ Considerations such as these should provide a powerful rationale for substantial strengthening of public support for housing for low-income families. At this point in our development, and over the next several years, we find fewer and fewer reasons — either in terms of economic potential or social equity — to object to a strengthening of such policies.

Recent policy changes in NHA loan terms and in direct lending by Central Mortgage and Housing Corporation already represent steps in the right direction. The improved flexibility of NHA loan terms and the closer integration of the mortgage market with other long-term capital markets should improve the ability of housing to compete for savings, thereby releasing public funds from the traditional support of housing for middle- and upper-income housing in favour of low-income housing. Not only has further substantial strengthening of such support now become more urgent, but also the conditions for realizing it are more favourable.

¹³ Our present income tax structure, because of its progressive incidence on incomes, already tends to raise revenues at a more rapid rate than the rise in inflated personal earnings.

Policies affecting the cost and availability of mortgage funds

Policy proposals that are claimed to be of particular relevance when mortgage money is scarce and expensive fall into two main groups: policies designed to increase the flow of mortgage money by various means, and policies to mitigate the effects of the high cost of financing through subsidies. On closer analysis these proposals turn out to be either of limited value in the short run or insupportable on economic and social grounds.

a) *Secondary mortgage market.* The Canadian mortgage market is traditionally a primary market in the sense that most mortgage lenders hold on to their investment. Conceivably a more efficient secondary mortgage market could result in additional flows insofar as it is able to tap new sources of money. There have been several attempts to stimulate development of an open market in which outstanding mortgages could be traded as freely as bonds: in 1954 Central Mortgage and Housing Corporation initiated auctions of packages of NHA mortgages but these have since been discontinued; CMHC is prepared to repurchase any NHA mortgages but only as a last resort and at a penalty rate; some nongovernment lenders recently have undertaken to sell packages of mortgages, mainly NHA-backed, but also some conventional mortgages. The main difficulty faced by the earlier CMHC attempts was the tendency of traditional "primary" lenders to pick up the assembled packages of existing mortgages to the detriment of primary mortgage investments. Since this did not increase the total flow of new mortgage money, any future attempt to expand the secondary market would have to take account of this tendency. The development of a secondary mortgage market has perhaps a greater long-term benefit and is not an especially suitable instrument to increase the availability of mortgage money quickly.

b) *Variable interest rates.* It has been suggested that the residential mortgage as a long-term investment is unduly disadvantageous to an investor because the interest rate once agreed upon cannot be raised when the general level of interest rates is moving up. This is true now for all NHA mortgages as well as for large portions of conventional mortgages. On the other hand, Canadian laws permit full repayment and thus refinancing of residential mortgages after five years, thereby protecting the

homebuyer when interest rates fall. Several types of financial institutions — banks, trust companies, mortgage loan companies, credit unions, etc. — operate with relatively short-term liabilities for which they have to pay the prevailing rates of interest. If their assets are too extensively tied up in locked-in, long-term securities such as residential mortgages at rates of interest fixed for the entire life of the asset, there is always the danger that increases in short-term interest rates which they must pay to attract deposits will rise as high, or even exceed, the earnings rate of their long-term assets. It is argued that these institutions will be reluctant to lend money on mortgages if interest rates are likely to rise in the future, and the proposal has frequently been made to allow periodic renegotiation of mortgage rates, especially those under NHA. (*Since adopted by government in 1969 changes to NHA — Ed.*)

This proposal, however, raises a number of important issues. From the point of view of raising more mortgage funds this change would appear to be irrelevant under present conditions. Interest rates are already high and are expected to remain so. It is difficult to see what advantage there would be to a potential lender unless, of course, interest rates were to rise even higher than their present record level. This proposal would produce its best results under conditions of prevailing low interest rates, anticipation of sharp increases in interest rates and restricted supply of loanable funds. But it is highly unlikely that all three conditions will be present at the same time, since under conditions of low interest rates, a supply of funds is usually adequate and the competition among lenders strongest. Moreover, this proposal if adopted could raise problems for many households. How would increasing the monthly payment on an existing mortgage affect the ability of households to pay? Recent experience has shown that such increases can be quite substantial. A variant of the proposal has been to keep monthly payments unchanged but to raise the yield of the mortgage through extending the term of maturity.

c) *Trusteed pension funds.* Certain types of financial institutions whose liabilities are of a long-term contractual nature are particularly well suited to carry long-term assets such as residential mortgages. Life insurance companies and trusteed pension funds

are in this category.¹⁴ Life insurance companies do in fact invest heavily in residential mortgages, holding some 45 per cent of their total assets in this form at present. However, trustee pension funds do not invest nearly so extensively in mortgages, and suggestions have been mounting that they should substantially increase such investment. These suggestions may well be in the best interest of procuring more mortgage funds. However, whether they are in the best interest of the pension funds themselves at present is another question. The largest portion of their total assets are now held in fixed-yield bonds, producing a lower return than could be obtained from fixed-yield mortgages. This may represent a missed opportunity in raising earnings performance in the past. If better performance of pension fund assets is now desired — which would undoubtedly be appropriate for the sake of the millions of Canadians whose savings flow into these funds for income at retirement — such improved performance could be best achieved by investing in assets which provide protection against inflation. In these circumstances, the flow of mortgage money from this particular source should not be overestimated.

Another set of proposals is aimed at softening the effects of high interest rates on housebuyers and thereby enabling families from a wider range of income levels to acquire a home. These are discussed below.

d) *Mortgage interest and income tax.* It has been suggested that the interest paid on house mortgages should be made a deductible expenditure from income tax. This is a proposal that invites serious objections. It would be a subsidy paid to homeowners at the expense of people who rent, unless imputed owner-occupied rents were also made subject to income tax. (Like the return on any other investment, a house also yields a return to the owner in the form of services, that is, it provides an alternative to paying rent to someone else. This is called imputed rent.)

¹⁴ The growth of both life insurance companies and trustee pension funds has slowed down over the past two years with the introduction of the Canada and Quebec pension funds, but this slowdown is considered temporary judging from the experience of other countries which have introduced similar plans (e.g., Sweden).

Since such imputed rents always exceed interest payments and since these rents are not subject to income tax, homeowners do in fact receive a form of subsidy.¹⁵ Occupants of apartments, on the other hand, pay through their rent all the landlord's gross income out of which he meets costs, profits and income taxes.

Exemption from income tax of interest paid on house mortgages would mean a redistribution of government revenue (federal as well as provincial, since both levels share income taxes) in favour of all those households which happen to have a mortgaged house. Many houses, however, are partially or fully paid off, while in other cases a mortgage may have been taken on a house to raise money for other purposes. The inequities arising out of such situations are obvious. Finally there is the important question whether homeowners, who already enjoy tax-free protection from general price increases as a result of owning real estate, are entitled to this type of assistance at the expense of people whose rents rise with inflation.

e) *Subsidized interest rates.* Another proposal involves the subsidization of the difference between high interest rates and what might be designated "reasonable" interest rates. There are several variants of this scheme, one of which would be to refund to all households who now have, or intend to acquire, mortgages on houses the full interest above a defined level, say, 6 per cent. Such a program would prove extremely expensive especially if high interest rates persist for several years, and would commit rapidly growing sums of public money running into hundreds of millions of dollars for several decades. Another variant is to allow this interest differential as a deductible expense in calculating income tax. Both proposals suffer from the objection that they would provide the greatest monetary benefit to those who need it least — the more expensive the house the greater the amount of mortgage, the higher would probably be the income and the tax bracket of the housebuyer, and the higher consequently would be the refund.

¹⁵ Equity in owner-occupied houses is a major asset of most middle- and upper-income families, the income of which is not taxed. It constitutes a major factor in total investment income. See Royal Commission on Banking and Finance, *Report*, table 2-3, p. 19.

Yet another variant of this scheme would be to subsidize the interest differential for selected prospective housebuyers in order to reduce the "service ratio" (i.e., the monthly interest, principal and property tax payments as a proportion of gross income). This would enable potential buyers, whose incomes are somewhat below the minimum at which they could satisfy the service ratio requirement, to enter the housing market. In order to assess the merits of this proposal, it would be necessary to know, for example, whether large portions of housebuyers already are at the extreme limit of the permissible service ratio, what role is played by the availability of down payments, and what the effects of this scheme would be on the used-house market. Also, what would happen to the subsidy payment when the buyer, after perhaps two or three years, earns sufficient income to meet the service ratio requirements without assistance? Perhaps the biggest single objection to subsidized interest rates, whether they are fully or only partially subsidized, is the very real danger that they tend to result in compensating interest rate increases which may partially or fully offset the effect of the subsidy.

Social Effects of the Housing Environment

Dr. Marvin Lipman, Member, Advisory Group
Central Mortgage and Housing Corporation

SOCIAL EFFECTS OF THE HOUSING ENVIRONMENT

The importance of this topic is no longer in dispute. The effects of current shortages and high costs of housing bear heavily on a substantial segment of the population. At the same time, a great increase is expected in the volume of housing starts over the next few years and both events are occurring in an era of accelerating social change. It is essential that we consider now the kind of housing environment we will be developing in the next 10 to 20 years, particularly for low-income groups who cannot influence their environment as much as others.

But there are problems of definition. What is meant by the terms "social effects" and "housing environment"? Do we mean by "social effects" the human stresses said to be produced by certain kinds of urban environment, such as alienation and depersonalization in our big cities, or as expressed in rates of social and physical pathology (e.g., incidence of delinquency, crime, fire and accidents, family breakdown and sickness)? And how are the social effects of a "good" housing environment to be defined?

By "housing environment" are we talking about the deteriorating slum or the middle-class suburb, the single-family house or the high-rise apartment, the metropolis or the rural town, the Indian reserve or the new community?

Clearly we are concerned about all of these and more. Canada is a diverse country, rich in its variety of people. They come from different cultural and ethnic backgrounds; they have different expectations about what opportunities they can enjoy in employment and education; they have different income levels and they

are at different stages in the life cycle of growing up, leaving home, forming their own families or living alone and in turn growing old. Similarly, they live in different kinds of housing in a variety of locations, with greatly varying climatic conditions. Some environments offer a varied economy, others are based on a single industry. Some areas have steadily moved ahead and are enjoying the benefits of an affluent society; others have remained stagnant, caught in a cycle of poverty.

Housing and human well-being

In its broadest terms, the traditional theory of environmental determinism argues that by changing the environment, particularly the housing environment, it is possible to effect improvements in people's behaviour, in their health, living habits and personal well-being. This assumption provided much of the impetus for early efforts to promote public housing and slum-clearance programs. It is still accepted by many today.

The assumption of a simple relationship between the housing environment and its social effects has given way to an increased understanding of the complexity of factors involved. Schorr in his book *Slums and Social Insecurity*¹ carefully documents this. It is quite clear from the study *Housing Environment and Family Life*² that even in a carefully designed research study it is difficult to show conclusively that improved housing environment brings any marked improvement in specific areas of social functioning.

In Canada, a recent study by Kennedy and Smith³ of housing conditions in remote northern communities in the Prairie provinces brings out this interrelationship of factors. In their view, some of the poorest housing conditions in Canada exist in these communities and they suggest that improvement in housing would lead

¹ Schorr, Alvin, *Slums and Social Insecurity*, United States Department of Health, Education and Welfare, Social Security Administration, Division of Research and Statistics, Research Report No. 1 (Washington, D.C.: Government Printing Office, 1963).

² Wilner, Daniel, *et al.*, *Housing Environment and Family Life* (Baltimore: Johns Hopkins Press, 1962).

³ Kennedy Smith Associates, *Housing Study, Isolated Communities and Indian Reserves, Prairie Provinces* (Winnipeg, 1967).

to improvement in other aspects of living, though they recognize that without accompanying improvement in employment and education opportunities, etc., it is unrealistic to expect any major change. A similar point is made in a report of the *Conseil des Œuvres* of Montreal.⁴

While income, education and employment directly account for differences among people in standards of living, housing is both the product and expression of these differences. A country's housing is a general reflection of its standard of living and that of each social class in the society. Although an improvement in housing conditions does not necessarily imply an improvement in the standard of living of the people concerned, a better living environment creates a favourable climate for the pursuit of further education which in turn leads to better employment and the desire for better living conditions. Healthy and decent housing for all, and especially for the disadvantaged, constitutes an essential element of any strategy aimed at improving the living conditions of the population in question. (Translation of French text.)

Social implications of the type of housing

A drastic change has occurred in Canada in recent years in the type of housing being built, a trend pregnant with social implications. The proportion of apartments being built has increased from 31 per cent of all housing starts in 1962 to 45 per cent in 1967.⁵ This change is even more marked in large urban areas. Recent figures from Toronto indicate that in the metropolitan area, four apartment units are being started for every single-family home, while in the city proper the ratio is 60 apartment units for every house.

Is this a change we have made by choice? It may be argued that low vacancy rates in apartments indicate the preference of many for this kind of accommodation and that recognition of this market has led to the change. On the other hand, choice

⁴ Conseil des Œuvres de Montréal, *Opération: Rénovation sociale* (Montréal, 1967), p. 173.

⁵ Recent statistics indicate that in 1968 apartment dwellings accounted for 52 per cent of the housing starts.

suggests alternatives, and the possibility of single-family accommodation as an alternative for families with dependent children has been severely limited.

It is widely believed that the majority of Canadians still regard the single-family house as the most desirable form of accommodation. Again, the reasons for this may be economic (the building of equity), but there are many social considerations involved. These include pride of ownership, desire for privacy, control of property, and the fact that a house is a good place for families to bring up children. In effect, the whole growth of suburbia has been geared to fulfilling this ideal.

The hard reality, nevertheless, is that land economics are forcing a situation in which building at high densities is a necessity, particularly in the inner city. Row or town housing has resulted, which, although it may not meet all the requirements of ownership and privacy, still allows for children to be close to ground level and better supervised. The principal area of concern is the multi-storied apartment building, or "high rise", particularly as it becomes an increasingly important source of accommodation for families in the central city, where land values are highest. The objection here is that although high-rise living is fine for certain groups (the swingers, the newly married, those with grown families), it is not a suitable environment for families with dependent children. For the first group, the proximity to employment, to services, to where the action is, all help to create an environment in the central city which is considered desirable. For the latter group, the fact that children are far from the ground, cannot be easily supervised, do not always have the space deemed necessary for their development, etc., all tend to militate against this form of housing for families.

It is not hard to find illustrations of this problem in both private and public housing. According to Elizabeth Wood "the basic evil of high-rise apartments for families is the distance they place between the mother and her children when they are playing outside the dwelling".⁶ A recent letter in a Toronto newspaper makes the point eloquently.

⁶ Wood, Elizabeth, *Housing Design: A Social Theory* (New York: Citizens' Housing and Planning Council, 1961).

I'm slowly going nutty with three children under five years in a high-rise apartment. Believe me, an apartment is no place to raise children . . . They are all becoming little clinging vines because they really have never been anywhere without me. I'm afraid to let them outside the apartment door because the elevators are such a hazard . . .⁷

A recent publication on public housing raises the same issues, and adds: "Tenants speak with one voice on the dangers and disadvantages of high-rise apartments for family occupancy. Will somebody please *listen*?"⁸

Indeed, studies have suggested that certain patterns of living result from apartment living. The husband, it is alleged, feels less of a man as a result of not being needed to do those things he would ordinarily be expected to do in a house. Small children are made more dependent by the need to be more closely supervised by the mother, who is unwilling to let them roam loose on the ground out of sight. Older children are removed from parental supervision and thus are allowed more independence than they may be able to handle.

If these two conditions (single-family housing and high-rise living) can be polarized to the extent suggested, how does one deal with the social effects of the housing types described? One way would be to make a social judgment that while high-rise living is desirable for certain groups, it is not desirable for growing families.

Thus we would be saying that the economic considerations are less important than social considerations in producing the kind of housing environment we want for families. Denmark, for example, appears to have made just this kind of judgment. There, the trend has been away from high-density and apartment living. Statistics show that in 1959 over 50 per cent of all dwellings completed were multi-dwelling units. This percentage has steadily diminished so that, although the number of dwelling units built has been rising, only 30 per cent were multi-dwelling units in 1965.

⁷ *The Globe and Mail*, August 21, 1968, p. 9.

⁸ United Community Services of the Greater Vancouver Area, *A Tenant Looks at Public Housing Projects* (Vancouver, 1968).

In many ways, our current emphasis in housing and transportation policy is on increasing the supply of single-family housing. Land assembly, greater control of land speculation, satellite or new cities, and transportation corridors, all tend to make more land available and will extend the range of reasonable housing choices for families. It is also not difficult to develop ways of extending this range of choices to all income levels through devices such as rent subsidies, write-down of land costs, reduction of down payments, etc. Thus, if we feel that some form of housing other than apartment living is best for families, even though it may cost more money, this is not an impossible goal to achieve.

However, because it will take time to increase the supply of available land required to expand the range of housing choices, we will continue to be forced by economic considerations to build high-rise apartments for families. It is therefore imperative to try and create the best kind of housing environment possible out of this form of building. To date these buildings have not been designed for family use, except perhaps for the family with one small child or where children have reached adolescence.

There are many architectural and design solutions to the problems of providing play space within buildings, facilities geared to growing families, and work areas for fathers outside the apartment unit. New construction methods also hold promise of more flexible use of space with changing needs. The development of standards for space and amenity more related to family needs and the possibility of finding mortgage financing to translate these standards into buildings are more difficult problems to overcome. Perhaps the most important factor in creating the "best kind of housing environments possible" is a conviction by governments that the present self-contained apartment unit is not sufficient for families, and the encouragement of something more suited to their needs. From this, changes in standards, design and financing would tend to follow.

In urban areas, the form of housing has been standardized into the apartment, row house, the semi-detached and single-family house. The promise of *Habitat '67* as a stimulator of new forms of housing has not, as yet, been fulfilled. Planners are, however, giving thought to new forms of arrangement of housing to make

better use of land and to reduce costs.⁹ New approaches to financing and different forms of tenure have been stimulated by the current housing shortage and rising costs. Condominium ownership is now seen as possible not only for high-income but for moderate-income groups as well. Other forms of ownership, co-operative and non-profit housing stimulated by churches, labour unions, etc., all hold promise of increasing the supply of low- and moderate-income housing. But if the promise is to be fulfilled there will have to be much greater co-ordination of public-private effort in providing the necessary information, technical assistance and "seed" money to get these programs started.

The form of tenure and type of housing assume particular significance in the rehousing of rural families and in the resettlement of people in urban "growth centres" as, for example, in the ARDA regional development program in northeast New Brunswick and the resettlement of communities from the outports of Newfoundland. These families bring with them a strong attachment to a particular type of housing — free standing and unencumbered by mortgages — in which standards of space, design and facilities may be of secondary importance. The minimal cost of housing in the budgets of these families can mean the difference between a modicum of economic independence and poverty. In these circumstances, efforts to improve housing conditions clearly have to be related to programs of economic development, while the housing programs themselves will have to take account of the social preference for ownership and the limited financial capacity to undertake it.

The question arises whether our standard for Canada is to be the three-bedroom suburban bungalow of our larger cities, or more related to the minimum requirements of the National Housing Act Residential Standards. Does the house have to be completed or can it be only the frame, to be finished on the inside by the resident in his own time and with his own labour? Perhaps a basic question is also whether the rural resident is not

⁹ Perhaps one of the most significant examples of this approach is a comprehensive study of density distribution and costs initiated in 1967 by the University of Toronto's Centre for Urban and Community Studies, under the direction of Professor A. J. Diamond.

entitled to the same size, quality, and standard of housing as the urban resident. With increasing emphasis on regional development programs, these questions will require greater attention as well as specific policy decisions.

In northern and isolated communities, the problem of providing basic services, such as water, heat, electricity and sewage disposal, is a major one. This has led to the possibility of increasing densities along a service line, or building multi-storey units when building land is scarce. The socioeconomic effects of scattered housing without the provision of basic services have been aptly demonstrated in the Kennedy-Smith report, and include high costs of transportation, servicing and maintenance, water pollution, inadequate sewage and garbage disposal, inadequate supply of potable water, and exposure of houses on four sides to winds and cold temperatures.

Again, the question of an appropriate standard of housing is important. Whether Canada's Indian people will be satisfied with the "one room dwelling with a warm floor" proposed in the Kennedy-Smith report as a minimal but distinct improvement over their present housing remains to be seen. On the other hand, low-cost housing in areas where climate is rigorous may be a poor investment in terms of the life of the housing. In any case, it will require all our ingenuity and considerable amounts of money to improve the often desperate housing situation in our northern communities.

Social implications of the location of housing

a) *Urban renewal programs* and the controversy they have given rise to have helped to focus attention on the importance to people of the location of their housing. There are signs that the bulldozer approach may be giving way to a more careful concern to preserve and strengthen the social fabric of urban renewal areas. While there is little merit in an approach that leads to a glorification of the slums, it is becoming increasingly apparent that there can be many social benefits in living in low-income areas. The kinds of interaction (often thought to be missing in more middle-class communities), based on mutual support and help, are characteristics of urban life which are worth keeping at a time when primary group identification is

supposedly decreasing. In Canada, we can point to the examples of Lower Town in Ottawa, Alexandra Park in Toronto and Hamilton North End, as attempts to renew a community rather than change its character.

b) *Suburbia* lies at the other end of the spectrum, raising equally controversial issues on the social effects of location. If one is to believe the relevant literature, suburbs are the wasteland of our modern society, "strawberry boxes piled neatly row after row". Suburbs have been described as sterile, single-class communities, where fathers are never home and mothers are socially isolated. Yet they meet the needs of many who value the single-family home with its piece of ground, the chance for privacy if they so desire it, or social involvement if this is what they want. Herbert Gans in *The Levittowners*¹⁰ makes this point. Most people who move to the suburbs find what they are looking for. It is not necessarily a sterile or socially isolated life. In fact, people report more social involvement than in the central city.

In our efforts to create a range of housing choices, one choice will continue to be a suburban form of living. However, we have learned a great deal about ways of improving the quality of suburban life. Humphrey Carver suggests the "town centre" concept as a way to do this;¹¹ Gans specifies other factors requiring special consideration. While we may not be able to duplicate the diversity of the inner city in the suburbs, there is much that can be done in the planning and timing of facilities and services and the provision of meaningful activities for all age groups to improve the quality of suburban living for those who desire it.

c) *Declining communities* that have lost their economic base present hard choices similar to those posed by urban renewal areas, only on a larger scale. Some of these communities are in decline because of the move to the cities from the rural areas, the closing of single industries in resource towns, and the better transportation systems which have bypassed some of the older

¹⁰ Gans, Herbert J., *The Levittowners* (Toronto : Random House Ltd., 1967).

¹¹ Carver, Humphrey, *Cities in the Suburbs* (Toronto: University of Toronto Press, 1962).

service towns in agricultural areas. The social effects of a housing environment that is declining may well be negative, particularly as they relate to lack of money for services and improvements, unemployment and underemployment, and the young moving out to find opportunities elsewhere.

The handling of the declining community raises many issues. For instance, under urban renewal legislation, how much help should be given when the economic base and the population of the community are declining? Is there any point in helping to maintain the community when it may make more sense to phase it out or let it die a natural death?

Obviously there are many social and political implications to these questions. Perhaps the present regional approach as exemplified by the Fund for Rural Economic Development and the greater emphasis on regional development programs offer the best hope for the future.

d) *New towns and satellite communities* involve a whole new concept of housing environment, in which location, types of housing, site planning, transportation systems, provision of amenities and facilities, and social organization are all systematically related to each other to create a pleasant environment.

More than in any other area, the provision of new communities has crystallized concerns about the kind of housing environment created, thus encouraging much discussion and research. The experience of the British New Towns has been examined in numerous research studies with a view to identifying the successful features in planning new communities as well as the problems. The total environmental approach as exemplified by Washington New Town in Britain and Reston in the United States are exciting both in conception and result.

In Canada, we appear to be on the threshold of developing new towns and satellite communities as a means of increasing our housing stock and the range of housing choices. The experience acquired in other countries has helped to define more clearly the important contribution to be made by the social planner in this process. Thus we are finding that factors such as social organization of the community, development of communal facilities, use of open space, and the influence of the automobile on the environment are receiving increased attention. The work of J. M. Nichol-

son on New Communities in Britain,¹² although somewhat dated, focuses attention on the provision of adequate transportation, the relationship between housing and employment, the need for diversity in age groupings and house types, and the provision and timing of community facilities and social services. In the U.S. context, a study by Eichler and Kaplan¹³ of new communities, particularly in California, raises many issues of financing, site planning, political and social organization, etc. We are fortunate in Canada to have available to us the experience and research of other countries as we move into the building of these new communities.

Social integration of communities

Discussion of the preceding issues raises acutely the question of the social integration of communities. Is it possible to build communities that are not of a single class but represent a range of income, of age, of ethnic groups? There is ample evidence to support the assumption that most people prefer to live among those who share a similar life style. On the other hand, we are nowadays increasingly concerned about enlarging the range of opportunities for all, and tend to view segregation along racial, ethnic or socioeconomic lines as something to be deplored and something which it is possible to avoid through orderly development and planning of our communities and resources. Thus, the possibility of planning for greater social integration, if we desire to do so, seems greater at this time.

Perhaps the word "diversity" is better than "integration", which implies something much more positive than we can hope to achieve or than may even be desirable. For example, there are many who suggest that integration of public housing tenants in middle-class communities is a fallacious concept. One author suggests that our goal should be based on planning for the community as a whole, rather than integration, "allowing diverse

¹² Nicholson, J. M., *New Communities in Britain* (London: National Council of Social Service, 1961).

¹³ Eichler, Edward and Kaplan, Marshall, *The Community Builders* (Berkeley: University of California Press, 1967).

groups to live together peacefully and still have the social contacts and institutions each needs for a full life".

Two illustrations demonstrate some of the considerations involved in this.

a) In its original conception, public housing, although tied to slum clearance, was often built in the suburbs. The theory was that if you took people from poor housing conditions and placed them beside higher status groups, the good example of middle-class standards of child care, respect for property, etc., would rub off on the low-income groups. Unfortunately, rather than achieving integration, the result was often greater isolation. The choice of site for public housing was often on land considered uneconomic for private building. By its very nature, it isolated public housing tenants from the services and amenities of the community. At the same time, studies of relocation in urban renewal found that most people, including those desiring public housing, wanted to remain down town.

The possibilities of achieving a more satisfactory balance of population have been increased in some of our bigger urban centres with the provision of larger numbers of public housing units in different parts of the city, with correspondingly greater choice to the family in need of housing. Thus families are not necessarily forced to live in public housing in the suburbs if they choose to live down town. A second and perhaps more important reason is that new housing developments are being planned to include both moderate and low-income (public) housing. In this way public housing avoids being cast in the role of something ancillary to the rest of the community, something forced onto it and thus resented, and by including both types of housing from the outset it is hoped that less stigma and marginality will be felt by the public housing resident. However, the success of this kind of mixed development will only be determined with time.

b) A second example, which would appear to negate the idea of integration, comes from the work of Irving Rosow on housing for the elderly.¹⁴ Rosow, after studying various forms of retirement housing, concludes that segregated housing, defined as a

¹⁴ Rosow, Irving, *Social Integration of the Aged* (New York: Free Press, 1967).

large concentration of housing units for the elderly, often with built-in facilities, appears to offer the best possibilities and benefits for the elderly. These units are not isolated from the larger community, nor are they scattered or integrated throughout the total community. Rosow suggests that in an age-graded society integration can lead to social isolation. Intergenerational conflicts arise, and the younger age groups tend to have little understanding of the elderly. The benefits of segregated housing, as described by Rosow, include economy in building and in provision of services, the possibility of new group memberships for support and mutual aid, and the provision of role models for those making the transition into retirement.

In spite of Rosow's findings, there are still many parts of Canada and many minority groups within our population in which intergenerational families exist and are the norm rather than the exception. This is particularly true for many immigrant groups in which three- and four-generation families are not uncommon. It is also true for our Indian population, and it has been suggested that new housing units should incorporate a separate apartment to allow for some privacy but still maintain the larger family in close proximity.

The central issue in these two illustrations concerns the range of choices available. In housing for senior citizens, the range of choices could include the separate apartment, the four-unit house in the heart of the city, the walk-up apartment block, Rosow's segregated large complex, or the retirement community in Florida. The same range of choices could easily be developed for the housing of low-income groups. Although our goal may be diversity (achieved, as Gans suggests, by block homogeneity and community heterogeneity), the choice to mix or not to mix must also be present to make the concept workable.

Social aspects of urban renewal and public housing

Although the justification for undertaking urban renewal in declining commercial areas is often clear in economic terms, and the effects can be demonstrated by some cost-benefit techniques, the social objectives of residential renewal are not as clearly defined. Certainly there is improvement of the physical aspects of the area — the roads, the public services and, to some extent,

the housing. If the citizens of the area are involved in planning its future, this will also have good social effects.

However, there remain a number of questions which have not been sufficiently clarified.

a) Who is the intended beneficiary of residential renewal? Is it the community as a whole, those who live in the area at the time of renewal, or both? There are many examples of renewal programs whose claimed justification is that they benefit the community as a whole. But the interests of the residents of the renewal area are no less deserving of consideration. This implies the provision of adequate rehousing programs for those who move from the area, sufficient replacement housing in a variety of forms for those who desire to remain in the area, and a program of rehabilitation of existing housing when this is possible. Along with these provisions there is usually a strong emphasis on social rehabilitation. In this kind of situation, both the housing stock and housing environment are improved for those who wish to remain in the renewal area.

b) What is the effect of tearing down low-income housing and not replacing it? The provision of public housing units may approximate the numbers of dwelling units demolished, but this is not always the case. Often redevelopment of one area contributes to overcrowding, increased rentals, and the speeding up of the blighting process in other areas. It is interesting to note that the United States government, in granting federal funds for urban renewal, gives priority to those communities who increase the supply of housing for low- and moderate-income housing.

c) What provisions are made for the upgrading of a residential area in other than the physical aspects? Factors over and above physical blight are usually present in renewal areas which greatly affect the people involved. These include limited education and low income, unemployment, limited community facilities, a system of social services not always geared to meet existing needs, etc. Although there are often some improvements in opportunities as a result of urban renewal, these are mainly due to efforts of private social planning councils or to the availability of funds for demonstration projects. In most cases these tend to be of an *ad hoc* nature and not part of the planned goals of urban renewal. If the emphasis were on co-ordinated programs

which included both physical and social aspects of renewal, then it would be possible to demonstrate the good social effects which could accrue from residential renewal.

Public housing is perhaps the best known way of providing housing for low-income families. Although there has been a considerable increase in public housing since 1964, it remains in relatively modest supply. The total subsidies in Canada are much lower proportionately than in the United States or Europe. However, the present federal government policy supports the expansion of what is termed "social housing", and a growing number of public housing units is anticipated.

There are many positive social effects resulting from public housing. It is generally good housing, allowing those in the low-income range to live in a much better home than they could find or afford on the private market. Although some adjustments are required in the present rent scale to increase its flexibility, rentals are based on income, so that the proportion of the household budget devoted to housing is in line with an accepted community standard. The management in many cases is considerate of the kinds of problems that low-income families face and can be more flexible than the private landlord in helping with these problems.

On the other hand, there are many concerns about public housing, both general and specific, which suggest that these social effects are counterbalanced by others not as beneficial. Generally, the term public housing conjures up a view of people who are not able to keep up in our affluent society, who have fallen by the wayside and become second-class citizens. This is reflected in the anxiety of residents of more settled or suburban areas who often petition against public housing being built in their area because they think that it will decrease land values and affect their children adversely. There is a stigma attached to living in public housing, which must be felt by the tenants. Perhaps the production of increasing numbers of public housing units in diversified locations, plus the fact that a greater number of people will need some form of subsidized housing in the future will help to break down the stigma both through association and through diversification of the kinds of people living in this form of housing.

More specifically, public housing tends to concentrate large numbers of low-income families in a small area. Although few

of these families are problem families, it is true that the facts of low income and large families tend to produce problems. These problems may result from the difficulty in keeping up in an affluent and rapidly changing society, from limited education, from some form of social pathology, or from the large concentration of children in public housing projects. Whatever the reasons, we have not yet seen fit to provide either the services or the facilities to ensure that the social effects of living in good housing are maximized on behalf of the tenants of public housing. The U.S. position is clearly stated:

These families in many cases need assistance in addition to adequate housing, in order to overcome the handicaps of inadequate income as well as the handicaps which in many cases are the cause of their low incomes. Assistance for these families is not limited to providing for their current welfare but, more importantly, to helping and encouraging them to become self-sustaining members of the community. The Housing Assistance administration believes that adequate community facilities and programs are necessary to the successful operation of low-rent public housing. These facilities and programs, combined with good housing and a socially oriented management, provide project residents with means to improve their family and community living standards.¹⁵

The Canadian position, as represented by the senior levels of government, has been to separate housing and welfare. The provision of housing becomes an end in itself. Any socially oriented program or facility thus becomes the responsibility of the local government or community group to provide. This position does not deny the relationship between housing and welfare or the need for facilities, but rather declines to make any allowance for capital or program costs. Although there are examples of public housing projects that have been provided to varying extent with community facilities, the policies of the senior levels of government on this subject need to be reappraised with

¹⁵ U.S. Department of Housing and Urban Development, *Community Facilities and Programs Serving Residents of Low Rent Public Housing* (Washington, D.C., 1967), p. i.

a view to assuring the provision of such facilities and services in conjunction with public housing developments.¹⁶

Perhaps the time has come to rethink our whole approach to public housing and to consider whether there are different solutions which allow for retention of the social benefits of public housing without the social costs. The issue is not whether we should or should not build public housing, but rather, what is the best way of providing good housing at reasonable rentals and in satisfactory neighbourhoods for low-income groups?

James Murray, in his book, *Good Housing for Canadians*, made an effort to do this and achieved limited success in influencing public policy.¹⁷ The present U.S. approach includes a rent subsidy program, tried in Ontario several years ago, and discarded. Certainly, our present legislation allows for many different sponsors of low-income housing by providing 95 per cent loans to "any person for . . . the construction, purchase or improvement of a low-rental housing project" (sect. 16, NHA). Prior to 1969 the required equity was 10 per cent which often proved a deterrent to full use of this provision by non-profit corporations.

In any case, since we could find ourselves in a position where as much as 50 per cent of our population could theoretically require a housing subsidy, it becomes of increasing importance to produce a housing environment for this group which will maximize the social effects and benefits. This implies consideration of various approaches such as the project type of accommodation, the identifiable rent subsidy, the possibility of different forms of management, ownership and sponsorship, and stimulation of the private market to produce more housing for low-income groups. There appears to be a multiplicity of solutions, over and above our present public housing approach, capable of assisting in creating the kind of housing environment desired.

¹⁶ This issue has been examined in two seminars sponsored by the Canadian Conference on Housing and reported in *Integration of Physical and Social Planning, Report Number One, Report Number Two* (Ottawa: Canadian Welfare Council, 1967, 1968).

¹⁷ Ontario Association of Housing Authorities, *Good Housing for Canadians* (Ontario Association of Housing Authorities, 1964).

What does the future hold?

The focus of this paper has been on the social effects of the housing environment. Several problems have been raised, and some possible solutions have been offered. There are certain themes, however, which recur, and which may offer direction in creating the kind of housing environment we would like to see in Canada. These include:

1. increasing our understanding of the relationship between man, his housing and his environment, through experiment and research;
2. increasing the range of choices in housing environment for all our citizens, including low-income groups;
3. building into our housing environments the kinds of amenities which make it more than shelter;
4. providing the kinds of opportunities in housing which allow for different forms of management, ownership, etc., and which encourage responsibility and independence, particularly for low-income people.

These are important considerations and, to some extent, we can find examples today which hold promise for good social effects in the future. However, one additional factor should be raised. Our housing environments form themselves into some physical and social entity, designated by a variety of terms but most often by the somewhat nebulous term "community". What of man's relationship to his community? What opportunity does he have to deal with its problems, to influence the impact it has on the quality of life of its residents?

It is an interesting phenomenon that political activity increases when the housing environment and the community are to be disturbed in some way. A highway planned through a working-class district or a change in zoning in a single-family area activates ratepayers' associations to bring pressure on elected representatives. In communities where urban renewal action is contemplated we not only invite citizen reaction but insist upon it, sometimes with interesting results.

The experience of having a part in shaping the future of one's community can significantly affect the outlook of people accustomed for the most part to a feeling of powerlessness in the face of events.

In a world of growing cities and growing bureaucracies, the great challenge of the future may well be how to achieve this kind of involvement by the citizen — an involvement which will have meaning for him, as well as for the community in which he lives.

Health and Housing

Dr. H. N. Colburn, Medical Consultant, Health Services Branch
Department of National Health and Welfare

NEEDS AND POSSIBLE ACTION

A man's home is the core of his environment and, from the health viewpoint, inseparable from it. Consequently, social policies on housing must be co-ordinated with those on poverty, land use, transportation, recreation, pollution, accidents, personal health services, and social and industrial development. And all of these interrelated factors must fit into a plan for a community and a region as well as for a street, block or project.

We have to find common meeting grounds for the different facets of Canadian life — economic, social, cultural, physical and biological — if sense is to be made of our environment. The tools of the computer age — operations research and systems analysis — can help to co-ordinate housing activities so that gaps between functions are filled and excessive overlap of functions avoided.

However, the advantages of planning and producing for masses carry dangers of depersonalization. Therefore, social and behavioural scientists should work with physical and biological scientists to develop an environment that serves man's best interests.¹

Today's health problems demand that health workers, architects, engineers, social scientists and others be environmentalists or ecologists. Their interests must be broad but oriented to the needs of people as individuals.

The problem is greatest in the cities. Three-quarters of Canadians now live in cities and towns occupying less than one per cent of our total area and by 1980 the urban share of our population is expected to be more than 80 per cent. Also, it is an-

¹ Mooney, Craig M., "Man as a Fact of Urban Life", *Professional Public Service*, XLVII:3 (March, 1968), 8.

anticipated that Canada's rate of urban growth will soon exceed 4 per cent per annum and be the fastest rate of urban growth among industrialized countries.²

The Honourable J. R. Nicholson, former Minister of Labour, has commented as follows about co-ordination of physical and social programs within cities:

It has also been pointed out that there is now a considerable range of programs involving federal, provincial and municipal assistance, designed to help people in the rundown areas of our cities. These include physical, social, educational and health objectives and in many cases also involve the work of private social agencies. Efforts to improve the physical environment through the urban renewal programs supported by the National Housing Act cannot be dissociated from those many other programs of a social kind. It is suggested that special efforts should be made to bring these programs more into co-ordination with one another and that at least a special Demonstration Program should be organized to show how this can best be done. The pace at which cities are growing results in a great variety of problems both for people and for their physical environments. The variety of these problems and the diverse responses to these problems can be very wasteful, if they are not brought into effective relationship with one another.³

Housing requirements in Canada range from the need for basic shelter and privacy from other members of the family in isolated outposts to the complexities of sophisticated multistorey urban living. From the health viewpoint there are two major responsibilities and opportunities: (1) resolving the backlog of basic sanitary and safety problems from the past; and (2) identifying, anticipating, and preventing or controlling the problems of the future.

² Canadian Conference on Housing, *Sourcebook on Housing in Canada*, A Summary of Selected Papers Submitted to the Federal-Provincial Conference on Housing and Urban Development, December 11-12, 1967 (Ottawa, 1968), p. 1.

³ *Ibid.*

Basic hygiene and safety

Improved standards of living and the efforts of health workers and others have resulted in a technology that permits safe and hygienic housing. Basic requirements, such as running water, sewerage, electricity, adequate space and protection from pests, fire, and the elements, should be available to all. However, a lack of enforceable standards or failure to enforce them, as well as shortages of money, may make some or all of these features unattainable.

Standards for new housing are probably fairly adequate. Modern housing design usually provides for fundamental needs. But new housing is only a part of total housing stock and continuing attention must be given to uncovering deficiencies in and maintaining and rehabilitating old housing. In addition to physical standards, standards of occupancy are required to reduce overcrowding.

Pockets of rural poverty, including many Indian, Métis and Eskimo settlements, have primitive housing and environments conducive to the types of pathology which used to be seen in other parts of the country generations ago, i.e., high rates of infant mortality, pneumonia, gastrointestinal diseases, tuberculosis and other infectious diseases. Such areas are among those requiring the most urgent attention from health workers. There are also urban slums in which unhygienic and unsafe housing conditions claim urgent attention.

The above-mentioned diseases have declined in importance for most Canadians because of improved living standards, better nutrition, immunization and adequate medical care. The major killer today is coronary heart disease. The main factor in illness and suffering is mental disease. Accidents, cancer, chronic respiratory disease, alcoholism and drug abuse are reasons for serious concern. Like infectious diseases, these conditions have multiple causes or associated factors — sometimes poverty, poor housing, under- or over-nutrition, stress, or other things. Some may reflect a high standard of living. In looking for solutions one must look to the total environment.

Experimenting with the environment

More experimentation or testing of hypotheses is essential to discovering how the environment might be made more life-enhancing.

The toll of accidents in the home and neighbourhood justifies extensive alteration of, and experimentation with, the environment. We should also experiment with the role of the environment — physical, social and cultural — in the prevention or postponement of chronic diseases such as heart and mental disease. We could try to find ways to influence disease-related personal behaviour, such as smoking, diet, driving habits and exercise, by changing the agents of the environment — cigarettes, cars, highways and homes — not just exhorting people to change their habits. Pressures to smoke, drink excessively, drive unsafely, avoid exercise, overeat, or abuse drugs come from the environment as well as from within the individual. Therefore, such problems are social as well as personal health problems.

For example, easily reached facilities in the solarium of an apartment may allow running or swimming and, with improved physical condition, reduce the likelihood of a heart attack. The location of roads and parking lots at some distance from housing makes the area safer for children and, at the same time, makes it possible for their parents to obtain the benefits of walking. A park with walking and cycling paths has similar value through promoting fitness. Opportunities to meet friends or duplicate suburban patio living may reduce psychological stress for a mother confined to a suite with small children. Parks and two- and three-storey recreational areas on tops of apartments would facilitate the release of energy and tension for adults, youths and children. Workshops, hobby classes, musical and social clubs could provide pleasure and satisfaction or relieve boredom for young and old.

Schools and libraries could be left open evenings, weekends and holidays to provide gymnasium and other facilities for the community. A recent editorial in *The Star Weekly* discussed a New York City high-rise apartment building with a school on the ground floor :

The advantages of such "combined occupancy buildings" extend beyond money saving. It helps add to our housing stock.

And it offers opportunities for adult and community use of the school facilities during evening hours and summer vacation.

One of the real psychological difficulties of apartment living for families is lack of a proper recreational environment. This is not in the narrow sense of swimming pools and tennis courts, but a place to meet and study, to put on amateur plays, to learn English, to work with tools. A great many of the opportunities would be available in the lobby school.⁴

Competition and the pursuit of excellence in a hobby or the release of anxiety and tension through physical activity may increase self-respect and alter value systems at the root of many difficulties. Family-centred activities could help restore the family's key role in the development of the individual's mental and spiritual health. Extensive research and experimentation is needed to determine the right mix of these facilities and services appropriate to the needs of different communities. Also, ways will have to be found to supply them in older areas being rehabilitated, as well as in new housing, and for intermediate income groups as well as the poor eligible for public assistance and the affluent who can afford what they need. Health workers would seem to have much to contribute in these areas.

Social, cultural and individual differences

From the viewpoint of psychological stress, housing cannot be considered without recognizing the cultural or social differences of groups in our society. What may be more than adequate housing for one group may be quite unsatisfactory for another. Many of the harmful effects are relative. Certain groups may be happier living in a more crowded fashion than others. The effects of crowding and high-rise living are probably considerably different for those brought up in such an environment for several generations than for the person used to wide open spaces. Individually, some persons thrive on noise and bustle. Others are happier left alone and their need to have peace and solitude and to avoid interaction with people, even their own families, demands respect.

⁴ Editorial, *Star Weekly Magazine* (September 1-7, 1968), p. 45.

Availability of services and the importance of transportation

The availability of health services should be considered in all planning for new housing as well as for renewal. These are particularly important for the aged, chronically ill and handicapped, and encompass the broad range of environmental and public health services, medical care, dental care, organized home care, visiting nurse services, day care, meals-on-wheels and homemaker services. Simple home services to improve the quality of living for the aged and day nurseries that permit mothers to work to improve family living standards can be included. Health representatives on housing planning teams have a special role in ensuring that these components of good housing are made available to residents. The home is best considered as an extension of the health care system and vice versa.

Less than adequate housing or lack of nearby services may be compensated for to some extent if ancillary community services are easily accessible. Readily available transportation to day care centre or hospital outpatient department may make a home more livable for a mother with small children or for an old age pensioner. Financial resources can be spread and basic housing extended by providing free transportation to make essential community services more readily available to the poor, aged and handicapped. This might be a worthwhile stopgap measure pending rehabilitation of old housing or construction of new. Health and poverty programs could be assisted by providing transportation to work for poor people without cars where public transit is unavailable or requires a complex journey.⁵

Livability, and the role of the consumer

Healthful housing is livable housing, that is, livability according to the needs and wants of the individual and a quality of living — complete social, physical and mental well-being — not just survival and absence of disease. We need to develop a range of choices to meet people's wants at prices they can afford.

Increasingly, special features commonly required for certain groups should be built into ordinary housing so that it becomes

⁵ Bagdikian, B. H., "It Has to Come to This", *Saturday Evening Post* (August 10, 1968), p. 81.

multipurpose. Generally, what is good housing for the aged and handicapped is good housing for everyone. A safe, livable home for an elderly person can also help reduce the incidence of home accidents and improve the quality of living for the young mother and her preschool children.

Consumers should be consulted and share in making decisions about their housing. They can interpret the requirements of their subculture to the administrator and health worker, who indeed may benefit from special courses to help them appreciate cultural barriers and to be aware of and sensitive to the special needs of people. The aged, handicapped and poor can also be enlisted in programs to help meet the needs of those around them; they can act as homemakers, sitters and health education aides.

Poverty

The provision of adequate housing is primarily a matter of economics if a technology exists to provide the required facilities and services. The affluent can afford the housing they need and can escape environmental hazards; the poor cannot or may think they cannot, whether aged, handicapped or otherwise. Likewise, the affluent can obtain the ancillary services they require; the poor, whose need for such services is greater, may be deprived of them unless they are provided as public services.

The Special Planning Secretariat of the Privy Council Office has commented that:

There is more ill health among poor people than rich people. And ill health is one of the reasons why people become poor or stay poor.⁶

People driven to spend increasing proportions of their income for housing have less available for food, clothing and other amenities. This can lead to poor nutrition or to other mental and physical health problems, such as stress from overtime or second jobs needed to increase income, lack of self-respect because of shabbiness, or the use of alcohol or drugs to escape misery. People can be forced into such situations through rapid rent increases, unrealistic regulations regarding occupancy or by rehousing

⁶ Canada, Privy Council Office, Special Planning Secretariat, "Profile of Poverty in Canada", Ottawa, 1966.

schemes that increase financial burdens beyond the breaking point.

The city of Ottawa welfare commissioner, Stuart Godfrey, in commenting on drastic rent increases that have forced the city to supplement the incomes of many families, has said:

Even without help, some are paying 50 per cent of their total income for rent. They don't have enough money left for decent food.⁷

In a similar vein, Frazer and Stallybrass state:

McGonigle of Stockton-on-Tees, as a result of careful observations of families rehoused, suggested that in some cases rehousing may be disadvantageous to health on account of the fact that the additional outgoings in the form of rent and rates may reduce the amount of the family income available for food.⁸

On the other hand, the cycle of poverty can be partially broken by good health services. Improved health and employment possibilities make money available for housing. Decreasing birth rates and family planning reduce housing pressures, particularly for the poor. Smaller families plus the availability of a range of free services such as medical care and hospital insurance make more money available for better housing. However, cultural, educational and social class barriers, lack of time and inconvenient hours of service reduce the utilization of even free health services by poor people.

Mr. Justice Emmett M. Hall summed up the problems of health and poverty as follows :

It is incontrovertible that the health status of any given community is good or bad in direct proportion to the economic status of that community, to the social, the housing and the sanitary conditions then and there existing and the welfare services available at any given time. Where slums exist, ill health abounds. Where there is lack of proper sanitary facilities in crowded areas, disease spreads. Where there is poverty, people suffer from lack of the medical, dental and other health services which they need.

⁷ *Ottawa Citizen* (September 13, 1968), p. 1.

⁸ Frazer and Stallybrass, *Text Book of Public Health*, 10th Edition (Edinburgh: E & S Livingstone), p. 181.

... Poverty and disease have been inseparable scourges down the centuries.⁹

The contribution of health workers

Health departments would not seem to require special housing divisions since, within existing programs, most have the range of interests and expertise necessary to meet housing needs as related to health.

M. Allen Pond, Assistant Surgeon General for Special Projects of the United States Public Health Service, has concluded:

... This field is too important — and the need for problem-solving is too urgent — to develop it as a single categorical effort. Rather, the hygiene of housing involves so many interests and activities that it must be looked upon as a Servicewide undertaking.¹⁰

However, more attention can be given to housing by health department services and programs. Committees on housing might be established within health departments to focus attention on needs, to co-ordinate activities, to develop standards and guidelines, to integrate housing requirements into environmental health planning, and to provide consultant and advisory services to housing planners. Health workers can actively participate in efforts to obtain standard building and housing codes. It seems reasonable to consider health workers as essential members of teams developing housing projects of any kind. They are frequently instrumental in condemning bad housing. Are they sufficiently involved in designing and obtaining good housing?

In writing on environmental health, Dr. R. J. Donaldson, Medical Officer of Health for Rotherham County Borough (England), commented:

[There is] need for close co-operation between planning and redevelopment and the environmental health service. There may seem to be little connection between the renewal of our older towns and public health inspection but both of these ser-

⁹ Hall, Emmett M., "A Health Charter for Canada" (paper delivered to the Community Welfare Planning Council of Greater Winnipeg, January 4, 1965), p. 1.

¹⁰ Pond, M. Allen, "The Role of the Public Health Service in Housing and Urban Life", *Public Health Reports*, LXXXIII:2 (1968), 101.

vices aim at improving the environment, and the activities of both impinge on each other in many ways. Slum clearance is no longer simply a matter of getting rid of unfit houses, it is as important a part of town centre redevelopment as is smoke control. A planning permission which may be valid on pure planning grounds may be unacceptable without safeguards for which there are public health criteria. Noise, dust, smell, fumes, tipping, the use of premises for night work, these are all potential sources of nuisance and are matters on which the public health service could give valuable assistance at the planning stage.¹¹

Health workers also have a special contribution to make in housing because of their concern for and knowledge of people as individuals, rather than as masses. They deal directly with poor and rich and understand the complexities of causation and the interacting roles of poverty, crowding, poor sanitation and mental and physical illness. They know that there are few simple cause-and-effect relationships. They know that availability of services does not automatically lead to their use especially among the poor. They know that a two-way flow of information is required to determine what people need and want and how they should be provided; that tapping personal and public opinion is probably more important than teaching. They know that the needs of the people to be served must come before the needs of the system serving them. For these reasons they can influence planning for housing and help to ensure that it is based on the social, cultural and personal needs of the residents. Otherwise it might be dominated by engineering or architectural fashions or convenience, the need for employment, or pressures to clear unsightly slums or to obtain space for new public buildings or highways.

Health department reports suggest a minimal interest in the specific subject of housing. Numerous complaints are dealt with and the control of environmental health hazards is pursued. But there seems to be no concentration on the immediate environment of the individual, the environment where all other environmental

¹¹ Donaldson, R. J., *Environmental Health Annual Report*, Rotherham County Borough Health Department, 1966, as reported in the *Medical Officer* (26 July, 1968), p. 63.

services must be brought into focus and which must be served and maintained by these services. Dr. Richard A. Prindle, Assistant Surgeon General and Director, Bureau of Disease Prevention and Environmental Control, United States Public Health Service, has stated:

Planners have given only lip service to health objectives and environmental quality needs and standards, with the result that most of the really influential land use decisions have been dictated by real estate promoters, builders, pressures of commercial interests and myths of the market place.

Admittedly, planning and public health controls have been the answer occasionally. But for the most part these answers have been spasms of piecemeal public interest reflecting timid zoning policies painfully developed by legislative bodies caught in the concepts of property laws designed for uncrowded communities. One basic problem has been the lack of recognition and understanding of the effects this kind of action may have on the public's health. It seems to me that if proper policy is to be developed health officials willing and able to include health criteria in the planning process must be among the decision makers.

I am not entirely negative about the efforts many planners have made and am aware that much of the blame for a lack of productive health criteria is the fault of health professionals. Planners and architects have been seeking standards and criteria of human stress as well as measures of human tolerance and asking questions health professionals have been unwilling or unable to answer.¹²

Need to make decisions based on partial knowledge

It is important to control pollution, noise and other environmental problems on conservational, aesthetic, commonsense and *a priori* grounds and not only as actual or potential health dangers. Many of the relationships between housing and health are vague. How-

¹² Prindle, Richard A., "Health Aspects of the Urban Environment", *Public Health Reports*, LXXXIII:7 (1968), 620. Paper based on a speech given at a centennial symposium, "The City as Environment: Biological and Social Implications", Wayne State University, Detroit, November 16, 1967.

ever, even in the absence of detailed information about their hazards to health, we have to correct or eliminate nuisances such as noise and possible psychological stresses such as continual confinement to the upper floors of apartments, crowding and lack of recreational space. What G.W. Anderson said in 1943 still applies:

Inability to secure epidemiological support for housing standards should not discourage us from attempts to improve housing conditions or even to do so by regulation. Almost every community has houses that by no stretch of the imagination can be defended as desirable for human habitation. An appreciable fraction of our population lives under conditions that are undesirable socially, morally, and hygienically. Housing needs no defense nor need it await epidemiological support.¹³

Similarly, one cannot wait for evidence of serious health hazards to take firm preventive action on pollution. Fortunately infrequent combinations of fog and thick smoke illustrate the dangers of uncontrolled pollution. The harmful effects of inhaling cigarette smoke — the worst lung pollutant of all — also demonstrate the potential hazards of concentrated pollution. There may be insidious effects from long-term exposure to less obvious pollutants than these. The senses of sight, smell, hearing, taste, feel and touch, comfort in breathing and moving about and state of general well-being are probably good guides to correct action because they indicate what is important and pleasurable to us as persons.

Studies of the health significance of factors such as noise and proximity to others should include assessments of individual and cultural awareness of and attitudes to these factors. It would also be helpful if the public's interpretations and expectations about air, water, and soil pollution could be measured. N. F. Medalia has shown the way in his study, "Community Perceptions of Air Quality, An Opinion Survey Carried out in Clarkston, Washington, May, 1962". In the introduction of his report, Medalia quotes W. I. Thomas:

¹³ Anderson, G. W., "The Present Epidemiological Basis of Environmental Sanitation", *American Journal of Public Health*, Vol. XXXIII (February, 1943), p. 113.

If men define situations as real, they will be real in their consequences.¹⁴

Planning and evaluation

Planning for adequate housing for health purposes lends itself to the setting of program objectives and intermediate targets. We can also evaluate our effectiveness and efficiency in reaching these goals. The tools of the planner and evaluator are more suited to the tangibles of housing than to many other types of health matters. There is a need to develop good indicators of the housing-health relationship. These would help in the formulation of housing objectives and in the establishment of criteria for measuring degrees of success in reaching them. These health-oriented activities could be coupled with determinations of the overall social goals of housing programs and with efforts to measure efficiency and effectiveness in reaching them. In simple terms, attempts should be made to answer the question: where are we today in relation to the distance, direction and speed with which we need to move and what is it costing us? Practical tools are available to help us — locally, provincially and nationally.

Five readily available housing indicators of importance to health workers are the numbers and proportions of: (1) dwellings without running water; (2) dwellings without flush toilet; (3) dwellings without bath; (4) families not maintaining own households (index of privacy for family); (5) dwellings with more than 1.6 persons per room (index of crowding and of privacy for individuals within the family).

The accompanying table shows the Canadian situation, with these indicators, as reported in the 1961 census.

¹⁴ Medalia N. F., *et al.*, "Community Perception of Air Quality, An Opinion Survey Carried Out in Clarkston, Washington, May, 1962," United States Department of Health, Education and Welfare, Public Health Service, Division of Air Pollution, June, 1965.

	Metro areas	Other urban areas	Rural areas	Total*
Occupied dwellings	2,209,000	1,068,000	1,269,000	4,547,000
Per cent of total	48.6	23.5	27.9	100
Dwellings without running water	20,749	34,411	436,845	492,005
Per cent of total	0.9	3.2	34.4	10.8
Dwellings without flush toilet	30,528	54,161	584,850	669,539
Per cent of total	1.4	5.1	46.1	14.7
Dwellings without bath	94,739	128,578	667,221	890,538
Per cent of total	4.3	12.0	52.6	19.1
Families not maintaining own households	136,000	42,000	57,000	235,000
Per cent of total	6.8	4.3	5.0	5.7
Dwellings with more than 1.6 persons per room	63,339	47,879	103,690	214,908
Per cent of total	2.9	4.5	8.2	4.7

* Excludes Yukon and Northwest Territories.

Within the above figures for Canada are regional differences of considerable magnitude.¹⁵

The reduction of inadequacies of plumbing facilities between 1961 and 1966 was quite marked. The percentage of dwellings without running water decreased from 10.8 to 5.5. Dwellings without flush toilet dropped from 14.7 per cent to 8.6 per cent and dwellings without bath were cut from 19.1 per cent to 11.5 per cent in the five-year period.¹⁶

¹⁵ Canadian Conference on Housing, *op. cit.*, pp. 34-41.

¹⁶ *Ibid.*, p. 38.

Housing-for-health objectives could include elimination of such inadequacies. Periodic evaluations of program effectiveness could be carried out using the five indicators. However, other health-housing standards and indicators are needed. These could cover such things as total floor area in relation to family size; safety features in home and neighbourhood; facilities suitable for the aged and handicapped; availability of health, social, educational, protective and other services; facilities for exercise and recreation; freedom from noise and air pollution; and adequacy of heat, ventilation and light.

Research

Research is needed to learn more about the many complexities of the health-housing-poverty relationship, particularly the manner in which bad housing aggravates heart disease, accidents, mental illness, alcoholism, drug abuse, etc., and the manner in which good housing might assist in their prevention or alleviation. Research is also needed into questions of people's adaptability to change and what occurs in subsequent generations after a move to a new environment. The effects of living in apartments and at various floor levels need further examination.

Surveys of the felt needs of people and of the extent to which Canadian housing does not meet the basic requirements for health are required. We have no up-to-date measure of the number of handicapped and chronically ill in Canada. Before-and-after surveys can determine what changes, if any, occur when people change environments. Standard questionnaires and community housing appraisal techniques appropriate to Canadian requirements must be developed.¹⁷

The more information we have the better our decisions will be. Alternatives can be more clearly specified and the likelihood of making decisions on grounds of expediency or partiality restricted.

John C. Parkin, well-known Canadian architect, said in Winnipeg in May, 1968:

The best minds in the social sciences and behavioural disciplines should be attracted to environmental research. Living

¹⁷ *The Environmental Health Planning Guide*, United States Public Health Service Publication No. 823, may be helpful as a reference.

standards are now more often determined by fiscal and mortgage criteria than by any clear understanding of how the Quality of Life can be best achieved. Many of our attitudes are founded on intuition and hearsay.¹⁸

The *Summary and Reports of Panel Discussions: Federal-Provincial Conference on Poverty and Opportunity*¹⁹ held in Ottawa in December 1965, refers to the need for sampling public opinion on attitudes toward government goals as well as for informing the public about these goals. However, there is, perhaps, a danger of too much research and too little action and the subsequent demoralization of individuals and groups because of unfulfilled expectations.

It seems clear that, whatever is done, the "slum culture", "slum diseases" or "diseases of affluence" will not disappear overnight by simply providing new environments. Diseases have multiple causes and socioeconomic and other aspects of the total environment cannot be ignored. Building for future decades and generations can proceed with hope, even confidence, that changes will occur over time, but to expect massive, immediate benefits would be quite unrealistic.

Education to respect our resources, to preserve and improve our valuable heritage and to control all forms of pollution has to be developed in school curricula and public information programs if a favourable attitude to conservation and to a healthful, enjoyable quality of living is to become general. Such education must unavoidably include housing.

¹⁸ Parkin, John C., "Canada: 5,000 Governments", *University of Manitoba Alumni Journal* (Summer 1968), p. 18.

¹⁹ Federal-Provincial Conference on Poverty and Opportunity, Ottawa, 1965, *Summary and Reports of Panel Discussions, Meeting Poverty* (Ottawa: Privy Council Office, Special Planning Secretariat, 1966).

RELATIONSHIP BETWEEN HEALTH AND HOUSING

The constitution of the World Health Organization defines health as "a state of complete physical, mental, and social well-being and not merely the absence of disease or infirmity".²⁰ The environment in which man lives is a powerful determinant of his state of well-being. His home is the focal point of his environment; it is "the physical structure that man uses for shelter and the environs of that structure including all necessary services, facilities, equipment and devices needed or desired for the physical and mental health and social well-being of the family and the individual".²¹ In other words, housing is the "residential environment", and as such it is a decisive factor affecting health.

A healthful residential environment

One may look at the requirements for a healthful residential environment at different levels. These requirements express human needs. The most basic need is, of course, for housing which provides protection against death, disease, and injury. However, it may justifiably be argued that, from the point of view of mental and social well-being, housing which provides people with the opportunity to enjoy life is also a fundamental requirement.

Considerable attention has been given over the years to the formulation of basic principles of healthful housing. The

²⁰ World Health Organization, "Preamble to the Constitution of the World Health Organization", *Basic Documents*, 12th ed. (Geneva, 1961), p. 1.

²¹ World Health Organization, Expert Committee on Public Health Aspects of Housing, *First Report*, Technical Report Series No. 225 (Geneva, 1961), p. 6.

American Public Health Association has identified four major areas of concern: (1) fundamental physiological needs; (2) fundamental psychological needs; (3) protection against contagion; and (4) protection against accidents.²² Basic physiological requirements include the provision of a satisfactory thermal environment, adequately pure air, sufficient sunlight and artificial light, protection against excessive noise, and provision of open space for exercise.

Psychological needs include the provision of privacy, of opportunities for normal family and community life, and of possibilities for aesthetic satisfaction in the home and its surroundings. Protection against contagion includes requirements relating to sanitation in the home and its vicinity, such as a safe water supply, sewage and toilet facilities, means for food storage, and adequate sleeping space to minimize risk of infection. Protection against accidents requires a structurally sound dwelling, free from fire hazards, and which provides protection against shocks, burns, gas poisoning and falls, and a neighbourhood which provides protection against automobile traffic.

A World Health Organization Expert Committee has specified for all countries, the fundamental requirements of a healthy residential environment.²³ Its concern encompasses (1) the design of the dwelling unit; (2) household services and facilities; (3) physiological requirements; (4) protective requirements; and (5) town, village, and regional planning considerations. It is clear that an interest in healthful housing cannot be confined to such things as sewerage and sanitation, although these remain important considerations. To promote the health of the individual, attention must be paid to the whole residential environment and the extent to which it fulfils the diverse needs of its inhabitants.

Nature of the relationship between health and housing

So many factors are involved in housing that it is very difficult to delineate, in any causal sense, the exact nature of the relationship even between bad housing and ill health. This is primarily

²² World Health Organization, *Housing Programmes: the Role of Public Health Agencies* (Geneva, 1964), p. 11.

²³ World Health Organization, Expert Committee on Public Health Aspects of Housing, *op. cit.*, pp. 17-18; 19-33.

because it is impossible to isolate bad housing from other physical and social conditions with which it is associated. As so aptly put in a report submitted to the New York Academy of Medicine: "Malnutrition, neglect of symptoms, and an inability to obtain medical care may go along with crowded and unsanitary living quarters as underlying reasons for ill health, and they in turn may be the result of poverty, lack of education, or low intelligence".²⁴

Measurement constitutes another problem. Although a relationship between simple matters of health and housing has been shown by a reduction in illness when a specific health hazard is removed, there is no comprehensive measurement of health as related to housing quality. It is particularly difficult to assess those indirect and intangible effects which housing may have upon health, especially those of a positive nature. Nevertheless, there is a certain amount of scientific evidence to support the broad belief that there is an interdependent relationship between housing and health, poor housing correlating with poor health, better housing with better health.²⁵ Certain specific factors are known to have an effect upon health. These include an impure water supply, unsanitary toilets, lack of sewer connections, overcrowding, inadequate lighting, poor ventilation, lack of heat, excessive dampness and faulty screening against flies and mosquitoes.²⁶

Comparative studies have been particularly valuable in contrasting the incidence of disease in good and bad housing areas. Analysis of data from a U.S. National Health Survey has revealed the following: the proportion of persons disabled annually for a week or more was higher in households that averaged more than 1½ persons per room than with 1 person or less; with increased crowding, there was a significant increase in the incidence of pneumonia; among children under five years of age, childhood diseases were found to be more common and to occur at an earlier age in crowded groups than in groups not so markedly crowded; incidence of gastrointestinal diseases correlated with

²⁴ *New York Academy of Medicine Bulletin* (June, 1954), p. 494.

²⁵ Wilner, D. M., et al., *The Housing Environment and Family Life* (Baltimore: Johns Hopkins Press, 1962), p. 4.

²⁶ Dalle Valle, J. M., "Factors Which Affect the Relationship between Housing and Health", *Public Health Reports*, Vol. LII (1937), pp. 989-998.

lack of toilet facilities; and the frequency of home accidents increased as the value of rental rates of homes decreased.²⁷

Another comparative study done in Copenhagen found the rate of hospital admissions for children from slum areas to be at least twice as high as those for well-housed children, in a wide variety of diseases, including: acute upper respiratory infections, pneumonia, otitis media, meningitis, measles, infectious skin diseases and acute dyspepsia, as well as rickets, anemia, prematurity, and congenital malformations.²⁸

There has been some attempt to relate housing quality to accidents and to mental disorders. Many home accidents are due to carelessness and to defects in the home. There also appears to be a positive relationship between mental difficulties and accident involvement in a number of cases.²⁹ A World Health Organization Expert Committee has reported that:

Many psychiatrists believe that an unsatisfactory home environment, giving rise to persistent irritations, is one of the contributing factors in mental illness, and, certainly, some forms of neuroses are associated with want of privacy and other frustrations.³⁰

There is also evidence that the community environment has an impact upon mental health. When mental disorders were studied in relation to population density, it was found that the type of disturbance varied with population density. The highest rate of mental deficiency and of psychoneuroses appeared in individuals from semirural areas; the lowest incidence of psychopathic personalities was found in people from small cities, and the highest in those from large cities.³¹ However, the influence of housing and the environment on mental health requires much more research before any definite conclusions can be reached.

²⁷ Britten, R. H., and Altman, I., "Illness and Accidents among Persons Living under Different Housing Conditions", *Public Health Reports*, Vol. LVI (1941), pp. 609-640.

²⁸ Christenson, R., "Child Morbidity in a Good and a Bad Residential Area", *Danish Medical Bulletin* III (1956), pp. 93-98.

²⁹ World Health Organization, Expert Committee on Public Health Aspects of Housing, *op. cit.*, p. 15.

³⁰ *Ibid.*, p. 15.

³¹ Hyde, R. W., and Kingsley, L. V., "The Relation of Mental Disorders to Population Density", *New England Journal of Medicine*, Vol. CCXXXI (1944), pp. 572-577.

There is some evidence that improved housing does reduce the incidence of respiratory illness and psychological disorders.³² However, it is not a cure-all for the health problems of the poor.

A longitudinal study by D. M. Wilner showed only slight improvement in the health of a rehoused group during a three-year period.³³ Deeply rooted patterns of living are not changed overnight simply by improving living conditions. Nevertheless, the potential benefits of good housing should not be underestimated, particularly when integrated with a full range of supporting services geared to deal with the special needs and problems of the people for whom they are provided. This means not only the provision of facilities, such as day centres for children, clinics, and general community centres, but imaginative new programs as well. Programs involving housekeeping and family life education for mothers, tenant education, comprehensive services for the aged, and pre-kindergarten classes, have met with much success where they have been provided.³⁴ Such services are increasingly considered to be integral parts of the adequate residential environment necessary to complete health.

The urban environment

Industrialization and its concomitant, urbanization, have radically altered man's environment. They have made possible the creation of surroundings which are more congenial and hospitable to life, while at the same time introducing new environmental health hazards and new housing problems — water supply, sewage disposal, zoning and urban sprawl; pollution, noise and traffic; congestion, obsolescence and deterioration of core cities. Planning for a healthy urban environment requires consideration of all these factors as interrelated systems and not isolated problems.

a) *Pollution.* The pollution problem in Canada was considered at the conference "Pollution and Our Environment" sponsored by the Canadian Council of Resource Ministers at Montreal, October 31, 1966. Generally, it was reported, bacterial water pollutants

³² Weir, J. H., "Problems of Multiple Occupation", *Public Health Reports* (May, 1964), p. 224.

³³ Wilner, D. M., *et al.*, *op. cit.*

³⁴ David, P., "New Expectations for Public Housing", *American Journal of Orthopsychiatry*, Vol. XXXVI (July, 1966), pp. 673-679.

are under control, but analytical methods for rapid identification and accurate measurement of chemical pollutants are required and there is a lack of detailed knowledge about their long-term health effects. A health hazard appears to exist for community air pollution but the present state of knowledge does not permit measurement of the hazard. Air pollution may aggravate or precipitate illness. Personal air pollution — cigarette smoking — is by far the greater hazard. The refinement of measurement techniques will enhance our knowledge about the effects of air pollution. There appears to be no widespread soil pollution in Canada. The few cases have been of limited local importance and in the main were the direct result of pollution from air settling on the soil. Following are among the recommendations of the conference.

A national policy is needed for the control and abatement of pollution, along with appropriate national standards.

There should be planning for control on a regional basis with the main responsibility for implementation at the provincial level.

The cost of pollution control should be borne by the polluters as far as possible.

Much more research needs to be done and a national research co-ordinating body should be established.³⁵

In reporting on the conference, the Honourable Jean-Luc Pepin, then Minister of Energy, Mines and Resources, said to the Federal-Provincial Conference on Housing and Urban Development, December 11-12, 1967:

The conference recognized that the most critical pollution problems occur in urban centres where high concentrations of industrial and domestic users place a large demand on existing supplies of air, water, and soil, while concurrently lowering the quality of these same resources. At the same time, urban governments were not equipped to bring the scientific, technical, administrative, and financial forces together to control and mitigate the dilemma of a deteriorating environment.

³⁵ McCormick, R. A. J., "Pollution and Our Environment", *Canada's Health and Welfare*, XXII, 8 (October, 1967), 6-7.

The broad framework proposed for tackling urban pollution problems most efficiently included two main elements. First, since many of the effects of air, water and even soil pollution are successfully passed on by polluters to be borne by neighbouring people, industries, and communities, the logical approach to pollution control and abatement should be on a regional basis. The urban centres watershed was considered a most logical regional approach.

Second, although many facets of air, water and soil pollution may be examined and corrected independently, there are a variety of common causes and interactions that suggest pollution control may be most efficiently accomplished if pollution problems were seen as a part of a broader problem of environmental quality management.

Thus, the recommended framework was a co-ordinated approach to management of the environment on a regional basis.³⁶

Discussing problems of urban transportation at the same conference, the Honourable Paul Hellyer, then Minister of Transport, commented:

Insofar as transportation is concerned, it is obvious that the various modes of transport result in varying levels of pollution, with the automobile or any vehicle with an internal combustion engine being the greatest offender. Because our concern for the future must embrace a total urban concept with the health of our citizens a priority matter the ramifications of pollution must be a major factor in any future decisions on new transportation developments.³⁷

Mr. Pepin went on to say in his paper that related ideas expressed in several papers at the conference on pollution called for increased use of "systems" analysis and operational research techniques, improved co-ordination, changes in local administrative units and increased use of existing technology. Mr. Pepin listed the various forms of financial assistance provided to date

³⁶ Pepin, Hon. Jean-Luc, "Pollution and Our Environment" (Statement at Federal-Provincial Conference on Housing and Urban Development, December 11-12, 1967).

³⁷ Hellyer, Hon. Paul, "On Problems of Urban Transportation" (Statement at Federal-Provincial Conference on Housing and Urban Development, December 11-12, 1967).

by the federal government to industry and provinces for the control of pollution.

1. For municipalities, financial assistance may be granted under the National Housing Act for the construction of sewage facilities. Since 1960, over \$200 million has been granted.
2. For industry, the total capital expenditure for the construction of water pollution control facilities may be deducted from income tax.
3. For the Maritime provinces, the Atlantic Development Board has allocated \$2 million for pollution control on the Saint John River.³⁸

b) *Noise*. Noise constitutes another pollutant of the metropolitan environment and it is growing every year as cities enlarge and the intensity of noise from traffic, industrial plants, airports, and other sources increases. The deleterious effects of noise warranted comment by a World Health Organization Expert Committee:

The intensity of noise varies considerably, but medical research has demonstrated that even noise at a low level (35-37 decibels) is sufficient to provoke a deep impact upon the functional condition of the nervous system. Noise aggravates the normal course of cardiovascular and neuro-psychiatric disease; it can cause hearing impairment and even sometimes complete loss of hearing.³⁹

The noise from rock-and-roll music may exceed levels considered safe for industry and repeated exposure to it is considered potentially harmful to hearing. The increase in aircraft size and noise is important insofar as proximity of housing to airports is concerned. In addition to the physical harm of excessive noise, there are possible psychological consequences. Unwanted noise causes annoyance, especially when it is interpreted as an invasion of privacy. It can interfere with sleep, rest and relaxation, and interpersonal communication, thus serving as a source of stress.

³⁸ Pepin, Hon. Jean-Luc, *op. cit.*

³⁹ World Health Organization, Expert Committee on Environmental Health Aspects of Metropolitan Planning and Development, *Report*, Technical Report Series No. 297 (Geneva), pp. 51-2.

Therefore, urbanization and apartment living demand attention to noiseproofing to exclude noise coming from inside as well as outside buildings; reduced noise levels in the community; quieter appliances, and consideration for others. Antinoise ordinances and zoning regulations can help control community noise.⁴⁰

c) *Congestion.* The worst effects of congestion are felt by the poor, forced to live in overcrowded, substandard housing because they cannot afford anything else, but it is also becoming difficult for those with higher incomes to find adequate accommodation.

One of the most valuable tools which urban planners possess is open space. Green belts serve a protective function, dividing residential areas from industry and protecting against the undesirable spread of noise, dust and fumes. They are also important for recreation. The physical and psychological benefits of open space must be recognized in all urban planning and housing programs.

d) *High-density living.* An increasing proportion of urban residents live in apartments. Several studies carried out in Europe indicate how apartment living affects health. Upper respiratory infections among women and children and psychoneurotic disorders among women have been found to be much more common in flat dwellers than in those living in houses.⁴¹ Confinement to the relatively small space of the flat is felt to be responsible for the former, while confinement, social isolation, noise and lack of privacy, the latter two being important factors leading to tension and anxiety, are considered as contributing to emotional disturbances.⁴²

⁴⁰ Jones, H. H., and Cohen, A., "Noise as a Health Hazard at Work, in the Community and in the Home", *Public Health Reports*, Vol. LXXXIII (1968), pp. 533-536.

⁴¹ Hird, J. B., "Vertical Living — Health Aspects", *Royal Society of Health Journal*, Vol. LXXXVII (1967), pp. 171-172.

Fanning, D. M., "Families in Flats", *British Medical Journal*, Vol. IV (1967), pp. 382-386.

⁴² A recent drug advertisement shows a young woman wheeling a baby carriage in an area of high-rise apartments. The caption, addressed to doctors, reads: "She can't change her environment — but you can change her mood with Whilst neurotic illness has been shown to occur with greater frequency in women flat dwellers it should not be forgotten that it is a growing problem in the community at large . . ."

D. M. Fanning found a small but steady increase in the incidence of respiratory disorders as the height of the flat increased and suggests that lack of open-air exercise might be important in this regard. He went on to say:

The problems of living in flats are recognized by some of the planners of new housing, but it is important that they, and more particularly doctors who work in general practice as in the field of public health, should attempt to evaluate them on a wider scale than has yet been done, and that public and private authorities who are responsible for building homes should be made aware of them. In particular, more research is needed into the problems of morbidity of families who have had a double social disturbance by being removed from their places of origin and also placed in a flat.⁴³

The effect of apartment height might also be examined in such studies. Interestingly, Fanning found that apartment dwellers had fewer accidents than residents of houses, presumably because of limitations of space and mobility.

The problems faced by apartment dwellers vary according to age: for children it is noise and frustration; for mothers, confinement, social isolation and monotony; for teens, boredom; and for the aged, immobility and loneliness. There is speculation also that the husband suffers from apartment life, that he tends to feel a loss of his masculine identity.⁴⁴ The cultural ideal of the single family home, and the identification of virility with physical tasks which can be performed around the home, leave him unprepared to cope with living in high-rise complexes. Certainly, it appears that many health problems associated with multiple housing are social in origin and that we should pay increasing attention in future to the whole residential environment. Total community planning recognizing the need for a wide range of social and health facilities and services seems essential if apartment buildings as well as houses are to be good housing in the fullest sense.

⁴³ *Ibid.*

⁴⁴ "Apartments Blamed for Loss of Virility", *The Globe and Mail*, Toronto, April 22, 1968. An address given by Leon Kumove, a consultant to the Metropolitan Toronto Social Planning Council.

The rural environment

In contrast to the congestion of our urban areas, the rural environment seems to offer many more possibilities for healthful living. While it is true that frequently rural housing is free from some of the health hazards of an urban environment, such as air pollution and traffic, it must also be remembered that these advantages do "tend to be counteracted by lack of those amenities of civilization which play a direct part in promotion or preservation of health".⁴⁵

An intensive investigation into rural health has been carried out by Mott and Roemer. They found that, despite the abundance of space and building materials, rural housing was "all too frequently crowded, of poor quality, and in a state of disrepair . . . forming a favourable environment for accidents, respiratory illness and generally lowered resistance".⁴⁶ They also found striking deficiencies in water supply and sewage disposal as well as in other sanitary facilities intimately related to health and the prevention of filth-borne diseases. For example, many homes were without screens, refrigeration, proper heating systems, kitchen and bathroom conveniences, electricity, gas, etc.

Because of the inadequacy of environmental sanitation in rural areas, as well as advances in urban sanitation, the enteric fevers — typhoid and paratyphoid fevers and bacillary dysentery — have become essentially rural diseases. Other "slum diseases" are also prevalent because of the crowded, unclean conditions and poor habits of personal hygiene that may be associated with rural poverty. Infections of the eyes and skin are common among the inhabitants of poor rural homes in which indoor water and soap are lacking. Inadequate refrigeration can lead to food spoilage and food poisoning.

Other amenities of a good residential environment necessary to the enjoyment of health, in its fullest sense, are often lacking in rural areas. Facilities for education are poorer, especially for the blind, deaf, mentally deficient and the handicapped. Cultural institutions for adult education are rare. Isolation means fewer con-

⁴⁵ Mott, F. D., and Roemer, M. I., *Rural Health and Medical Care* (New York: McGraw-Hill Book Co., 1948), p. 31.

⁴⁶ *Ibid.*, p. 32.

tacts with people and a lessened exposure to new ideas. These conditions affect health. Mott and Roemer consider that:

For many, low income combined with low educational level and lack of social contacts results in a loss of pride in their personal appearance and the upkeep of the farmstead. A drab and meagerly furnished home, dilapidated, unsanitary, and unsightly surroundings do little to encourage sound habits of mental or physical hygiene.⁴⁷

Rural poverty and isolation are not, however, the only conditions hazardous to health in rural areas. The changing pattern of agriculture — the growth of an agricultural industry — has created new and greater hazards.⁴⁸ There is the spread of disease as excreta of a large number of animals in a feed lot are flushed into a small watershed with a heavy rain. New and dangerous machinery invites the operator to leave part of himself behind. The widespread use of chemical insecticides and fertilizers with toxic properties requires special care in their application. Extremes of temperature and overwork in the busy season contributes to accidents. Prolonged exposure to high noise levels (on tractors, etc.) may damage hearing and too much "healthy" sunlight may promote skin cancer.⁴⁹ Medical care may be inadequate because of isolation and a lack of services and facilities.

Many Indian, Métis and Eskimo settlements are examples of rural poverty where poor health and poor housing march hand in hand.

a) *Indian health and housing.* There are over 225,000 registered Indians and some 2,200 reserves in Canada. Living conditions on many reserves are poor. The Department of Indian Affairs and Northern Development is attempting to upgrade conditions in co-operation with Indian bands by building new houses and introducing electric lighting, running water and sewage facilities.⁵⁰

⁴⁷ *Ibid.*, p. 43.

⁴⁸ Berry, C. M., "Agricultural Industry — The Changing Pattern", *American Journal of Public Health* (May, 1959), pp. 616-621.

⁴⁹ *Ibid.*

⁵⁰ Federal-Provincial Conference on Housing and Urban Development, December 11-12, 1967.

An estimated half-million Canadians are of Indian ancestry (registered and other).⁵¹ Many non-registered Indians and Métis share the poverty, housing and health problems of the registered Indians.

Registered Indians have an infant mortality rate twice the national average although it has dropped from 82 per 1,000 live births in 1960 to 47 in 1965.⁵² Mortality among preschool children and deaths from accidents are much higher than the national average. Tuberculosis, pneumonia, gastroenteritis and skin diseases, all conditions related to socioeconomic status, are found more commonly among Indian people.

Nearly 41 per cent of the Indians living on reserves receive welfare assistance, compared with 3.7 per cent of the general population. Of course, many Indian people live off reserves and are self-supporting. Compared with the total population, 83 per cent of Indian families earn less than \$3,000 per year (23 per cent of the total population); 57 per cent of Indian houses have electricity (98 per cent); 19 per cent of Indian houses have running water (95 per cent); 12 per cent have indoor toilets and 10 per cent have indoor baths (about 90 per cent).⁵³

However, the gap between Indian and non-Indian is narrowing. The percentage of Indian families earning over \$3,000 a year rose from 10 per cent to 17 per cent between 1962-63 and 1966-67. School enrolment increased from 30,000 in 1958 to almost 65,000 in 1968. It is estimated that less than 5 per cent of Indian children 6 to 15 years of age are not enrolled in school. The number of housing units completed rose from 1,344 in 1958 to 2,005 in 1968. Electrification is proceeding at an even faster rate and water and sewage facilities are gradually being introduced to reserves.⁵⁴ Generally, reserves which are in areas serviced by electricity do have it and many isolated reserves have electricity, running water or sewage facilities when the surrounding non-Indian population does not. Despite the relatively high infant mortality the Indian population is increasing at about 3 per cent a

⁵¹ Andras, Hon. Robert K., "Notes for an Address at a Meeting of Indian Delegates", Sudbury, Ontario, August 21, 1968.

⁵² *Ibid.*

⁵³ *Ibid.*

⁵⁴ *Ibid.*

year. The Canadian population as a whole has been increasing at a rate of about 2 per cent.⁵⁵

Aside from the important fact that most Indians wish to see their reserves maintained, there is felt to be considerable potential in developing the resources of reserves. To help Indians who have left reserves to purchase houses, arrangements have been made with the Central Mortgage and Housing Corporation to loan them up to \$6,000 on a second mortgage if they have jobs.⁵⁶

Education is considered to be the best way to improve living standards and it is to this that much money and attention is directed. Health education is essential but this is not enough. Poor education, poverty, lack of knowledge of personal hygiene, often combined with a climate and isolation which make the most elementary sanitary measures difficult — all have their effect on the health of the Indian. Many Indians live in northern areas where housing providing special protection against the cold is required.

b) *Eskimo and Northwest Territory health and housing.* Canadian Eskimos number only about 13,000 and their housing problem is therefore of considerably less magnitude than that of Indians. Nevertheless, a severe climate, combined with barren land, isolation, high costs and depressed socioeconomic standards create a serious environmental health situation. Infant mortality, an indication of health conditions, is four times the national average and, as with Indians, tuberculosis, pneumonia, gastroenteritis and skin conditions are more common than among other Canadians. However, improved health services and better living conditions are having an effect. The crude death rate among Eskimos dropped from 23 per 1,000 population in 1960 to 11 in 1965 when the national rate was 7.5. Eskimo fertility is very high and despite the relatively high infant mortality the Eskimo population is increasing by over 4 per cent a year.⁵⁷

Tents, snowhouses and other types of native housing are gradually being replaced as a result of Department of Indian Affairs and Northern Development programs.

⁵⁵ Graham-Cumming, G., "Health of the Original Canadians, 1867-1897", *Medical Services Journal*, XXIII, 2 (February, 1967), 115-166.

⁵⁶ Federal-Provincial Conference on Housing and Urban Development, December 11-12, 1967.

⁵⁷ Graham-Cumming, G., *op. cit.*

From 1959 to 1965 the Eskimos of the Northwest Territories were supplied with housing on a repayment or a welfare basis. The houses first supplied were small, rigid-frame types, but standards were gradually raised and by 1965 some three-bedroom houses were included. The Eskimo Rental Housing Program, now amended to become the Northern Rental Housing Program, was introduced in 1966 and since that date 534 three-bedroom houses have been supplied, with an additional 259 to be shipped in 1968.

During the same period, a different form of housing assistance was being given to the Indians of the Northwest Territories. About 500 houses, either partially or completely financed by the Indian Affairs Branch, were built from 1960 to 1967. As of February 1968, this program no longer exists in the Northwest Territories and is replaced by the Northern Rental and the Northern Purchase Programs. An allocation of 75 housing units was made for Indians in 1968 under the rental program. Some housing programs are available to non-Indian and non-Eskimo residents of the Northwest Territories, too. Housing in the Northwest Territories can be obtained through:

National Housing Act Loans (CMHC) — all residents.

Territorial Second Mortgage Program (CMHC) — all residents.

Territorial Low Cost Housing Program — all residents.

Northern Purchase Housing Program — Indians and Eskimos.

Indian Off-Reserve and Eskimo Re-Establishment Housing Program.

Northern Rental Housing Program — Indians and Eskimos.⁵⁸

It is reasonable to expect that Indian and Eskimo tuberculosis rates, infant mortality rates and the incidence of environmental diseases will be cut by the above housing programs and, considering medical and welfare care costs, as well as human life, that the replacement of substandard housing will prove to be economical as well as humane.

⁵⁸ Canada, Department of Indian Affairs and Northern Development, *Housing Programs in the Northwest Territories* (Ottawa, 1968).

Accidents in the home and neighbourhood

Accidents and other forms of violence have become prominent as causes of death in recent years because of the decreased mortality from infectious and certain other diseases. The death rate from accidents has not changed to any great extent over the past 15 years but the number of lives lost has increased by almost 42 per cent from 8,083 in 1951 to 11,474 in 1966. Accidents are now the leading cause of death in all age groups between 1 and 39 and one of the five leading causes of death in every five-year age group in the Canadian population. It is predominantly accidents among our child population and auto accidents among our young adults that account for Canada's high position in the world in accident mortality.⁵⁹

One-quarter of traffic accident deaths in 1966 occurred among pedestrians. Of the 1,418 pedestrian fatalities, 565 or 40 per cent were to children under 15, and 415 or 29 per cent were to adults over 55. It may be assumed that many of these, especially among children, occurred near home. Additionally, 74 cyclists under 15 were killed when they were struck by motor vehicles.

Home accidents are second to traffic accidents as a cause of accidental death⁶⁰ — 2,199, or 38 per cent of the 5,757 non-transport accident fatalities in 1966 occurred in the home. Falls, fire or explosion, suffocation and poisoning accounted for 1,920 or 87 per cent of the home fatalities. Of these the 70-and-over age group accounted for 67 per cent of the fatal falls, the 1-4 age group for 19 per cent of deaths due to fire or explosion, infants for 72 per cent of suffocations and the 30-49 age group for 37 per cent of fatal poisonings in the home.

Fire, in 1966, was the leading cause of accident fatalities in the home in Newfoundland, Prince Edward Island, New Brunswick and Manitoba. Falls were the leading cause in the other provinces except British Columbia, where poisoning deaths led.

Most fatal fires arise in the home. Of the 661 fire deaths in 1966, 206 or 31 per cent were among children under 10.

⁵⁹ Canada, Dominion Bureau of Statistics, *Vital Statistics, 1966*, (Ottawa: Queen's Printer, 1968).

⁶⁰ Figures from the United States National Safety Council (*Accident Facts, 1965*) on the frequency of non-fatal injuries in that country indicate that more than twice as many persons are injured in home accidents than in any other type of accident.

In 1966, 757 fatal falls occurred in the home and 287 in resident institutions which are a form of housing for the aged.

Of all fatal falls, in the home and elsewhere, the majority, 1,199 or 72 per cent, occurred to people 65 and over.⁶¹

In 1965, 75 per cent of the 27,033 poisoning cases (fatal and non-fatal) reported to the Poison Control Program, Department of National Health and Welfare, occurred in the 0-4 age group.⁶²

The two high-risk groups for pedestrian fatalities and home accidents are clearly children and the aged. There is no doubt that many fires, falls, poisonings and street accidents are reflections of poverty, inadequate housing, unsafe roads or lack of open space in which to play.

The safety and security of the home and neighbourhood are perhaps their most desired health attributes. The danger there for the very young and the old indicates the need for precautions inside and outside the home, such as good lighting, adequate traffic regulation and road design, sidewalks, education on bicycle use, good stairs, handrails on stairs and balconies, handgrips for bathtubs, non-skid floors, electrical and other equipment in good repair, suitable wiring and fuses, secure window screens, cupboards for hazardous substances inaccessible to small children.

Special housing needs of the aged and handicapped

The mounting numbers of aged, infirm and handicapped persons should be borne in mind in all housing plans. Increased life expectancy results in more chronic and degenerative diseases and more long-term and lifelong disability. Many of these people require special facilities and services to improve mobility, to reduce accidents and to improve the quality of life, perhaps even to make it possible for them to function at all. It is becoming increasingly recognized that every effort should be made to keep the old, disabled and chronically ill in the community despite their dependence and that, wherever feasible, they should receive the services they require at home instead of in institutions.

⁶¹ National Safety League of Canada, *Accident Facts, Canada 1966*. Prepared in co-operation with Dominion Bureau of Statistics, Vital Statistics Section.

⁶² Canada, Department of National Health and Welfare, *Poison Control Program Statistics, 1965* (Ottawa, 1967).

a) *The aged.* The housing problem for the aged has increased as more people live past retirement age. The percentage of our total population over 65 years of age is now 7.7, and by 1991 it is expected to be 8.9. It may go higher if the low birthrate continues or immigration drops. Moreover, between 1951 and 1966, while there was over a 40 per cent increase in persons 65 and over, there was a 95 per cent increase in those 85 and over. Therefore, there is a disproportionate increase in that group least able to live independently. Also the likelihood of losing a spouse increases with age and there are more old women than old men. Men die at home more often than women because they have wives to look after them. Since women live longer on the average than men they are less likely to have someone to look after them and are more likely to be placed in an institution. Increased life expectancy, earlier marriage and childbearing and the decrease in the interval between generations because of smaller families is increasing the proportion of older persons who have parents and even grandparents to worry about and provide for.⁶³

The need for suitable housing for older people is not an isolated aspect of the general housing problem. Older people should be encouraged to remain in suitable private homes within the community except when circumstances demand institutional care. For the most part, they desire to live independently and are physically and emotionally healthier in their homes.⁶⁴ Many want to die at home.

The aged do have special housing needs. With age, sight diminishes, sensitivity to heat and cold increases, sensory acuity declines and reactions are slower. More time is spent in the home and unless facilities are geared to these changes, the home can be an uncomfortable or even hazardous place. Accidents from stumbles and falls, illness due to excesses of temperature, increased strain and tension can be attributed to housing deficiencies.

The American Public Health Association Committee on the Hygiene of Housing reports that:

⁶³ Wilson, L., Consultant on Aging, Research and Statistics Directorate, Department of National Health and Welfare, Canada. Personal Communication.

⁶⁴ American Public Health Association, Committee on the Hygiene of Housing, *Housing an Aging Population* (New York, 1953), p. 17.

A satisfactory dwelling for the aged would have adequate space, be comfortable, safe and convenient — basic essentials for all dwellings. It would be oriented for maximum light and sunshine, would have no dark corners, stairs, or passages and would be equipped with accessible light switches for sufficient artificial light; inadequate daylight and badly placed or inadequate artificial lighting are responsible for many home accidents. It would have no slippery surfaces nor changes in floor level; and the kitchen, bathroom, passageways, closets, cupboards and shelves would be located and arranged to simplify housekeeping and prevent accidents.⁶⁵

The committee goes on to say that housing requirements are much the same for the aged as for anyone. The aged especially need good housing, but good housing benefits everyone.

At present, however, there does appear to be an urgent need for special provisions for housing the aged in Canada. Poverty is often the root of their inability to find adequate homes. Unable to afford better, they may have to settle for cramped quarters which may be cold, drafty and with inconvenient sanitary facilities. Failing health or impaired physical abilities may heighten their difficulties.

The construction of special housing for the elderly alleviates some of the problem, but most aged persons have to make independent provisions for housing. Of the approximately 1½ million aged, less than 5 per cent live in institutional care. It is not known how many elderly persons are improperly housed. Home nursing services, home help or homemaker services, meals-on-wheels, friendly visiting and leisure time programs help lessen the effects of bad housing. Day centres, which enable the elderly to spend the greater portion of the day in a friendly environment and to eat one or two good meals, can help those in poor homes and those who are financially able to live alone but require some assistance, or provide a change for families with whom the elderly persons live.

b) *The handicapped.* Unfortunately we have no up-to-date measure of the proportion of handicapped in Canada. Projected

⁶⁵ American Public Health Association, Committee on the Hygiene of Housing, *op. cit.*, p. 20.

to the present population, the Canadian Sickness Survey of 1950-51 indicates that, excluding mental illness and retardation and persons in institutions, 1.4 million Canadians have a permanent physical disability of some degree. These include 600,000, or 3 per cent of the total population, with disabilities classified by the survey as severe or total.⁶⁶ The housing needs of the physically handicapped are in many respects similar to those of the aged. Similarly, housing which enables the handicapped to live independently and operate effectively is suitable for everyone. However, care must be taken not to subordinate the needs of the disabled to a "suitable-for-all" design. If a building is to be used by people in wheelchairs, for example, provision must be made for their specific problems, such as moving from one floor to another, floor surfaces, space requirements, toilet activities, storage accommodation and the location of elevator controls.⁶⁷ Some disabled and chronically ill people must stay on one floor level all the time.

On a mass production basis it would seem to be no more difficult or costly to incorporate into future housing, especially apartments, features required by the aged or handicapped. Nonskid flooring and good heating, lighting and ventilation serve everyone. Handrails, ramps, wider stairs and doorways would not interfere with those who do not have a special need for them.

The needs of the handicapped in public building design have been recognized in Canada. Guidelines have been developed by a committee working with the National Research Council of Canada, and in 1965, a supplement to the National Building Code of Canada entitled "Building Standards for the Handicapped" was published.⁶⁸ A similar publication on housing is in preparation. Much can and should be done to create a residential environment serving the needs of the aged and handicapped as well as the young and healthy. These people would thus be able to

⁶⁶ Federal-Provincial Conference on Poverty and Opportunity, Ottawa, 1965, "Disability" in "Profile of Poverty in Canada" (Ottawa: Privy Council Office, Special Planning Secretariat, 1965).

⁶⁷ Goldsmith, S., *Designing for the Disabled* (London: Royal Institute of British Architects, 1967), p. 11.

⁶⁸ Canada, National Research Council, *Building Standards for the Handicapped*, 1965, Supplement Number 7 to the National Building Code of Canada (Ottawa).

participate in more activities of a cultural, social and religious nature. The removal of architectural barriers would allow them to live more independently and to function more effectively. However, even official bodies often overlook the needs of this group.

Housing the mentally disordered would seem to pose a different problem. The variety of mental illness means that no single type of accommodation would be suitable for all. However, this does not mean that the mentally ill must or should be segregated from the normal community environment. Rather, emphasis is now being placed upon treatment and rehabilitation at the community level by medical and social worker teams concerned with all aspects of the patient's welfare. Various methods of residential care are being used, ranging from small hostels owned by local authorities, or provided by voluntary organizations, to boarding-out with private citizens. New mental health facilities which are now replacing custodial institutions emphasize short-term hospitalization, outpatient care and community orientation. Modern psychomedical concepts demand imaginative and innovative planning in the field of housing and urban development so that groups separated from society can return to it if they wish, though of course there are some people who appear to be happier and to fare better some distance from their families and their fellow men.

Presentations and Discussion

II

Agenda for Housing

David V. Donnison, Director
Centre for Environmental Studies
London, England

Professor David Donnison, in his keynote address to the conference, announced that his task was to pose for delegates the key questions they were met to discuss. He would start, he said, by asking, first, why are we here? and then consider the implications of the answer to that question. That would lead him to some of the biggest problems on the conference agenda — not in the expectation of solving them, he pointed out, but with the hope of launching a discussion that would be taken up and pressed further by others more familiar with Canada than he pretended to be. Following is the text of his address — Ed.

Why have some six hundred people come here from all parts of Canada to discuss what can be done about their country's housing? Not because Canadian housing is generally bad; not because Canadian builders are building slowly or incompetently; not because your government has been ungenerous in pouring its own resources into housebuilding; and not because you lack the money or the skills to do better. These might indeed be the reasons for calling a national housing conference in most parts of the world. But not in Canada.

In few countries — and I am thinking not only of Europe but also of cities south of your border from which I have just come — in few countries can such good and plentiful housing be found. In few countries have houses been built so fast. And plainly you will have the resources to sustain and exceed this pace of progress during the coming years.

We are met because *some* Canadians are badly housed, because *some* regions and neighbourhoods fail to attain the standards now

achieved by most, and because these injustices need not be. We are dealing with the problems of a rich and successful society. Underlying the mass of technicalities and detail we shall be dealing with during the coming days, the fundamental questions we shall be asking are not questions about output and scarcity, but questions about distribution and justice.

How can we enable *all* members of a rich and successful society to secure the opportunities, the comforts and the self-respect such a society now affords the bulk of its citizens? This is the fundamental question we are asking, and the answers we give to this question in the field of housing will go far to determine the answers we give to it in every other field of the nation's life — and hence the kind of society we are creating for our children to live in.

The "housing crisis"

The rich countries of the world have achieved advances in their living standards that would have seemed inconceivable in the aftermath of the world war, or even fifteen years ago — in consumption, educational attainments, health and life expectancies, transport, and living standards generally. Inequities and scarcities remain, but none can doubt that life in all these respects is getting better. Yet as progress is made in these areas of life, discussion of housing problems and policies evince an increasingly dominant theme of dissatisfaction, unrest and political debate in all these countries. In Sweden, France, the United States, Britain, we hear the same debates about the scarcity of housing, the high price of housing, urban renewal and the slum problem and every aspect of the *crise de logement*. Why is this?

Pervasive and powerful forces are at work. We are living through economic changes producing a growth of great city regions which puts unprecedented strains on our whole urban system — its resources, its housing, and its systems of government. Our aspirations in every aspect of living are rising: we live longer, we have more possessions, we want to get about more, we want more independence and privacy and leisure, and every one of these aspirations has implications for housing. The quality and character of human relations we demand of society are also changing — relations between social classes, regions, races and neighbours — and powerful political pressures are mobilizing to

alter, equalize and humanize these relations. These aspirations, too, have major implications for housing; and they will be frustrated, with potentially disastrous consequences, if we cannot find ways of expressing them in housing terms as well as in terms of legal rights and standards of consumption.

Housing policy: economic or social?

To cope with these pervasive and powerful pressures, we have a housing system that took shape in earlier and different times. The market, unaided, cannot meet all the demands now to be satisfied. That is common ground. But governments, too, are ill-equipped for the task. Some of them regard their housing responsibilities as an aspect of welfare policies — designed only to succour the casualties of industrial growth and social change. Some regard these responsibilities as a lever to be used in regulating investment and consumption, and controlling inflationary pressures. Some regard their work in this field as an independent piece of public investment — a sort of public utility not directly meshed with their social or economic policies.

To make progress we must recognize that economic and social priorities cannot be divorced from each other. They are different languages for talking about the same fundamental problems. In housing, above all, these two approaches to society must be effectively meshed.

How do we enable all Canadians to share in the opportunities the coming years could offer them? How can we devise housing policies, and develop institutions to carry them through, which will reconcile our social and our economic priorities? These are the central questions. What are their implications for our work at this conference?

Implications

The implications I shall deal with can be posed as questions: a) What needs must be met, and what concepts will help us in thinking about "need"? b) What are the implications of this approach for the distribution of incomes? c) What policies should the government adopt in dealing with the normal processes of the housing market? d) What additional, direct contribution should government make to the supply of housing in that

market? e) What are the implications of these ideas for the structure of government itself?

You will not expect me to provide answers to these very big questions. If anyone *could* provide complete and convincing answers to them, we would not be wasting our time here: we would be getting on with the job. I only want to place these questions on our agenda, and to show that every one of them must be considered both in social and economic terms.

a) "*Need*". Conferences and political manifestos that deal with housing often conclude by stating a bold numerical target for housebuilding — typically the latest target, plus 20 per cent. If we do that, and stop there, we shall have wasted our time. How do we ensure that the houses we shall build, and many of those already in existence, reach the people who need them most? This is the question we are considering, and no appeal for more housing will be relevant unless it deals with that problem.

It may be helpful to approach the problem as the French have done. They have tried to identify the main social groups to be housed and to distinguish them by family size, income and region. We may want to add some more categories — ethnic origin, for example. Then they have examined the housing conditions of each group, their present housing expenditures, and their capacity for future spending on housing. This enables them to select the groups to whom priority is to be given, to examine the implications for building, for incomes and for subsidies, of any policy for housing them — including the scope for higher spending among those already well housed — and to keep track of the progress achieved, year by year. They talk not in terms of "need" or "demand", but in terms of *demande solvable* — the demands that the country intends to meet within stated periods of time. This approach focuses attention on the essential issues. It may be worth exploring.

b) *Incomes*. Any policy for housing particular groups has implications for incomes and income distribution which must be considered before we set about building. We do not greatly help those in urgent need of better housing if we are generous with the funds we invest in building and niggardly with the funds that enable poor people to pay for better housing. The more radical we are prepared to be in redistributing incomes to poorer people

and larger families, the less drastically we will need to intervene in the housing market. The less attention we give to incomes, the more surely will our investment in building be wastefully used.

c) *The market.* Next we must consider the supply side of the equation, starting with the existing institutions and processes of the market. Successive Canadian governments have poured public money into the market for house purchase. But their policies have helped the richer half of the population rather than those who must live in old houses, and hence the most rapidly developing regions of the country rather than the weaker parts of the economy. House purchase and owner occupation will continue to play a major part in the Canadian market, but present policies exclude those in greatest need from the opportunities they offer.

Meanwhile, the gatekeepers of credit, through whom the homeowner must seek access to these funds, are those accustomed to, and expert in, the normal processes of the market. Naturally they apply normal criteria of credit worthiness to homeowners and the houses they buy. Unless we find ways of opening the gates of credit to new groups, these market mechanisms will be rejected as irrelevant to our needs. There are many ways of doing this. The West German government, to take only one example, encourages saving for house purchase by adding generous premiums to private savings placed under a regular contract in special accounts from which money can only be withdrawn if it is spent on buying a house. Once the saver buys a home he is entitled to tax relief — or equivalent grants if he is too poor to pay income tax — during the crucial first years of his loan repayment. The market has many virtues. Let us make it work for us, not against us.

d) *Building to meet need.* No matter how we redistribute incomes and rig the market in favour of those whom we want to help, our objectives cannot be attained unless there is a considerable stock of housing which can be allocated to meet social priorities. Every industrial society has found this to be so and I will not take time to argue the point.

Such housing — call it the public or social sector of the market — can be provided in many ways: through municipal or provincial authorities, through housing associations and co-operatives, and so on. I only want to make three points about it which have arisen from the experience of many different countries.

First, if there is to be a public sector at all, then it must be a fairly large one. If we only have a small number of houses which can be distributed on social grounds, we must either impose a crippling stigma on the program and those whom we are trying to help, or we must exclude many of those in greatest need from these houses — or both. Once we embark on a program of building to meet social priorities, we must press on with determination.

Second, countries that have been building such houses for a long time now have a varied stock of them available, diverse in price, size and quality. This is essential, since the needs and capacities of those to be housed are equally diverse. Canada is starting late on her program of public housing. I think you would do well to extend and diversify the range of houses in this sector as quickly as possible by acquiring, improving and converting old houses as well as building new ones, and by building new housing of varied kinds.

Third, you should beware of too great a unification of ownership and too great a standardization of policies in the public sector. The government, just like the developers and lenders in the open market, tends to give priority to some needs and to neglect others. It may be the newcomers to the city, mobile households, the single or the childless, but we may be sure that minorities of some kind will be neglected by democratic bodies accountable to majorities. I hope you will ensure, therefore, that housing which can be allocated on social grounds is built and managed by different bodies whose policies and priorities, though carefully co-ordinated, are not all the same.

e) *Government.* The housing aspirations to which we are now committing ourselves cannot be realized unless there are teams of people, firmly based in the structure of government at federal, provincial and local levels, whose job it is to think about housing, to evolve and administer a housing policy, and continually to contribute the housing element that must be incorporated in economic and social planning at all levels. This is not the first time that housing and the hardships of the worst-housed have been much discussed in Canada. If we repeat past patterns, our present concern will soon evaporate: it will be assumed once more that the housing problem is solved — or insoluble. Where-

ever you find impressive and really sustained progress in raising housing standards throughout a country, there you will also find well organized teams of experienced administrators and professional staff, at central, regional and local levels of government, whose whole-time responsibility is in the housing field.

Such countries often have independent voluntary bodies which provide a forum for the discussion of housing problems, and generate political pressures which ensure that housing is not forgotten. Centres, institutes or associations of this sort can do an important job, but they are no substitute for properly constituted housing authorities within the structure of government. Each requires the other. Government needs a public forum for expert debate about housing policies. But the forum is useless if there is no one, with power to act, listening to what is said there.

Let me conclude by returning once more to the fundamental questions we are met to discuss.

Can we develop a housing program that will play its part in enabling all Canadians to share in the opportunities a rich society is capable of offering them? The answer Canada ultimately gives to that question will depend not on her wealth, enterprise or skills. Those are abundantly available already. It will depend on the social responsibility and the political will of every Canadian voter. Most of them are pretty well-housed voters. They may ask why they should care about the people who lack decent homes.

The easy answer to give them is to point to the statistics — every country has them — which show how heavily the indices of social stress and strain are concentrated among the worst-housed groups. Unemployment, family breakdown, poor school attainment, delinquency, illness and untimely death are all more often found among the worst-housed than among the best-housed. But to rely on such arguments would be to mislead the electorate and to dodge the central issue that confronts us. Social pathology is more complex than such simple correlations suggest. Good housing will certainly make it easier to cure or prevent many of society's ills. But it will not eliminate them, and any advocate of better housing who relies on this argument will soon be dismissed as a false prophet.

The argument, moreover, has more fundamental and distasteful weaknesses. Must families "repay" the society that enables them to get better housing by keeping fit and adopting codes of respect for the law, marital fidelity and devotion to duty not universally observed by those already well housed? Should they be sent back to the slums if they are so unlucky, unwise or unhappy as to fall short of these standards?

No. We are concerned with something more important than a piece of cost-benefit analysis, an investment in bricks and mortar which must show a profit in reduced demands on welfare services, mental hospitals and prisons. We are talking about the character and quality of the society we are creating for our children to live in, the opportunities it will offer, and the human relationships it will foster. The good society cannot be built with houses alone, but, without good housing for all its members, it cannot be built at all.

Cities of the Future

The Honourable Paul T. Hellyer, Minister of Transport and Chairman of the Task Force on Housing, Government of Canada¹

Mr. Hellyer announced at the outset his intention to speak as an *individual* about an *idea*. He presented the idea of new cities — not satellites — urging that they be considered as one way of responding to the challenge of our present housing crisis, of making our problem into an opportunity.

The extent of the problem may be summed up in the prediction that, by 1975, between 80 and 85 per cent of the people in Canada will live in the great urban centres. During the remainder of this century another 25 or 30 million people will try to locate themselves in these already overcrowded, overburdened areas. What our country will look like 50 years from now will depend on the decisions we make, or fail to make, now, and how we put them into effect.

If we continue with the present development pattern, we will have a Great Lakes metropolis, growing without a master plan from Chicago through to Montreal. The extension of the peripheries of our cities along this growth pattern will require new services, new transportation facilities, new superhighways downtown, new subways, etc., at an estimated cost over the remainder of this century which runs into astronomical figures. One cannot help wondering whether this is the best way to use the resources available to us.

The alternative, which would give us a chance to develop in a more rational way, at a more reasonable cost in dollars, lives, health and welfare, is to start a completely new growth centre in a

¹ Mr. Hellyer, who was Minister of Transport in the Federal Cabinet from 1967, resigned in April 1969.

connected city — connected in the sense that it is part of a larger growth pattern, but new in the sense that it is started “on a piece of real estate which by and large is unscarred by human hand”. In the course of its development it could be expected to become itself a growth centre and to take pressure off existing ones. In such a new city there would be an opportunity to apply the technology now available to us. Although there is need for far more research in the field of urbanization and housing, it can be said that we are not now applying half of what we already know.

The first and most important area in which to apply technology is in the field of transportation. An urban centre which was designed from the ground up could be designed around its transportation system. The in-the-city and intercity transportation systems could be integrated or co-ordinated as they were, for example, at Expo. All density could be designed around those systems so that people and goods could move economically and conveniently.

A second problem to be solved by developing a new city is conservation. At present we are building on the best agricultural land in the country. We seem not to care, but future generations will care if the Niagara peninsula becomes one big urban centre and parking lot. Mr. Hellyer suggested that there is much marginal land suitable for urban development — with fresh water, and transportation routes, near agricultural land, near play land, with the best climate — where we would not be consuming an irreplaceable resource.

In a new city there would be an opportunity to experiment in design, in accordance with suggestions brought to us by new technology. Unentangled by accumulations of red tape, free of the shackles of restrictions and regulations, people with ideas could develop them and translate them into reality without being told every little thing not to do.

In this design, provision could be made for one of the things the sociologist is most concerned about, that is, community identification. Self-contained communities related to the transportation system could have all the amenities desirable in any community. The provision of a variety of accommodation — single-family, row-housing, high-rise — would make it possible for people to put down roots in that community and stay there throughout

their whole life, if they chose. They could have a choice of accommodation, one of the things essential in a truly democratic country.

The next advantage, Mr. Hellyer pointed out, in building a new city is that by using cheap land — for industry, commerce, housing — costs could be substantially reduced. If the cost of living and of doing business can be brought down to manageable proportions, it will be possible to create something functional, good, and beautiful which otherwise would be simply beyond our financial capability.

Finally, a new city would provide the opportunity to control pollution before it gets started — to include in the original design provision for clean air and clean water, instead of having to bring it back later.

Mr. Hellyer then raised and answered some of the objections most frequently made to his concept of the new city: that there would have to be an element of compulsion to make people live in it; that it would take a large amount of capital for the infrastructure before it could get started; that this capital would have to be supplied by government; that the federal nature of our government would require that it comes from more than one level so that co-operation between them would be required. Mr. Hellyer did not feel that any of these obstacles were insurmountable. People are tired of excuses, he said, and frustrated by inaction in dealing with this problem of housing. The young generation especially feels that there must be a better way of doing things and they want to get on with it. "Here is an opportunity to open our minds, to see if there isn't a better way of doing things, to take the energy and enthusiasm which is latent in our young people, to take their idealism and give it a chance to go to work to create a better urban society, a better Canada, and, by that effort, a better world."

Who Speaks for the Public Interest in Housing?

Leo Molinaro, President
American City Corporation
Columbia, Maryland

In his address at the closing luncheon, Mr. Molinaro touched on a number of matters that had exercised delegates during the morning plenary discussion.

Nowadays, said Mr. Molinaro, there are endless organizations and even individuals who set themselves up to speak for the public interest in every major policy controversy. He considered it more useful to discuss the questions of what *should* be the public interest in housing and how we, in whatever life role we play, should speak to that interest effectively.

He began by formulating certain postulates about the public interest.

a) Public interest must be expressed in public policies in order to be accessible to review and revision. Public policies are those decisions, plans and programs by which action is initiated or prevented by duly constituted public authorities; their objectives are derived from, and justified within, a broad context of social values, economic considerations, history and tradition. In a society reeling under the full impact of urbanization, values are neither traditionally accepted nor even clearly discernible; economic considerations are no longer controlled by natural ecology; history and tradition are fading. Change itself is now the key characteristic of every urban centre. The public interest is no longer defined by what we have been but by what we wish and expect to become.

b) To qualify as a statement of public interest, a public policy must be integrative: that is, it must be formulated in terms of goals that unite, connect, co-ordinate and generally make the

whole larger than any of its parts. Too often public policies in housing, or any other major controversial area, are piecemeal, fragmented and even contradictory.

c) Policies which express the public interest must be framed in entrepreneurial terms; in other words, they should initiate development of human resources and stimulate enterprise with a broader view and for a longer term than is possible when merely coping with the vicious cycle of crisis and emergency. Local initiative should be a strong force in defining the public interest but it has not been able to respond in full measure because of a built-in undercapacity for research and innovation.

d) Truly to express the public interest, public policy must be based on reliable, relevant information, expressed in terms of hard data, not wishful thinking or obsolete, piecemeal information.

Having thus defined the public interest, Mr. Molinaro went on to the question of how to organize ourselves effectively to speak to the public interest in housing. One of the first approaches is usually to organize a coalition of interests including all those with a recognized function or stake in the field. This is useful for purposes of deliberation but it is not likely to result in policy action. We must have an organization which will aim at *action*. It must be prepared to go further than the exchange of ideas and information on a voluntary basis; it must take substantive positions on policy. It must be willing to become involved in the fire of debate and criticism and to submit to the democratic discipline of learning to live with decisions that go against it and to move ahead through the partial realization of the ideal. It will be an organization which frankly sets out to discharge a leadership function. Its objectives will include raising the level of participation in housing policies at the local level all the way down to the individual. It will perform as a gadfly to all public bodies that are charged with formulating public policies on housing, whether at the local, provincial or national level. This will require a communications network of unusual breadth and sensitivity.

Mr. Molinaro described how colleges and universities might serve as local intake stations collecting information and passing it on to regional and national centres for use in policy determination. Similarly, the universities might elicit, organize and evaluate the special knowledge available from professional and vocational

organizations. The same role might be played in collecting views and information at the neighbourhood level. A national organization could help to raise the levels of aspiration and capacities for judgment of small local groups by providing reliable information when needed and in a form relevant to local issues. It could serve to provide equal participation in the process of policy formulation by both the public and private sectors.

So long as the central issue of organized society is conceived in terms of "who shall rule?" all definitions of public interest will tend to be formulated in terms of majorities and minorities and regulatory machinery to protect the one from the other. The basic question rather is: how shall we govern ourselves and our environment for our maximum benefit? To answer this question, a concept of the public interest must emerge which does not depend on a tyranny of either the minority or the majority. To speak to the public interest in housing, we must learn to speak together, and in learning to speak together we may find how to speak as one.

Our Housing Record

THE PUBLIC SECTOR — A PANEL DISCUSSION

Chairman

H. W. HIGNETT, *President, Central Mortgage and Housing Corporation*

Panel Members

J. E. BROWN, *Deputy Minister, Department of Municipal Affairs, Province of British Columbia*

B. R. ORYSIUK, *Executive Director, Alberta Housing and Urban Renewal Corporation*

M. W. STURBY, *Director of Housing and Urban Renewal, Province of Saskatchewan*

NEIL OSLER, *Chairman of the Board and Manager, Manitoba Housing and Urban Renewal Corporation*

H. W. SUTERS, *Vice-Chairman and Managing Director, Ontario Housing Corporation*

HENRI DION, Q.C., *Chairman, Quebec Housing Corporation*

JOSEPH SHERWOOD, *President, New Brunswick Housing Corporation*

ALAN MACDONALD, *Chairman, Nova Scotia Housing Commission*

BOYD WHITE, *Supervisor of Housing, Province of Prince Edward Island*

ALBERT VIVIAN, *Chairman, Newfoundland and Labrador Housing Corporation*

British Columbia : A new approach to the organization of public housing programs. In preference to establishing a crown corporation the province has refurbished the housing authority approach by appointing federal, provincial and municipal officials to constitute a provincial Housing Management Commission. The province has also established regional districts — in effect a federation of the local government areas — with authority, if they choose, over housing matters. While the province has been involved with the federal government in public housing since 1950, only in the last few years has it become a matter of urgent public concern, and it is in the light of this experience that the new approach has been initiated.

The essential role of public housing has become obvious, for it is apparent that there are certain groups in society which under the normal operations of the market find it difficult or impossible to pay for adequate housing. The social factors relating to personal problems must be kept in mind in providing public housing, which must be planned in such a way that the physical appearance and location do not actually aggravate the human difficulties of those who have turned to this type of accommodation.

Other features of British Columbia's program include the establishment of land banks in the metropolitan areas, and providing capital grants to first homeowners.

Alberta : Financing housing in smaller communities. The Alberta Housing and Urban Renewal Corporation has been in operation for a year and a half, and has concentrated its efforts on public housing, student housing, senior citizen housing, and government staff housing, as well as land assembly and urban renewal projects. Progress has been hampered in some instances by lack of initiative by municipal authorities. Legislation is specific about the eventual offer of public housing for sale to individuals.

The private sector has been hampered in its activities by inadequate and sporadic mortgage financing, problems of geographic distribution of mortgage funds, and restriction to certain types of building. There is now an encouraging number of new housing units outside the public housing field, but these are primarily in Edmonton and Calgary and take the form of high-rise or multiple accommodation. Mortgage money is not only scarce in the

smaller communities, but the rate of interest is prohibitive for small-town residents.

Saskatchewan : Subsidized home ownership for Indian and Métis families. Under this unique program in the marginally productive area of northern Saskatchewan, modest homes (\$6,000 to \$8,000 each) are heavily subsidized for Indian families in districts where school accommodation is usually available for the children, but employment is sporadic and uncertain for their parents and decent housing is the exception. The original agreement in 1965 has been extended to provide 300 units. Cost is borne 75 per cent by the federal government, 25 per cent by the provincial government. It is regarded as a stopgap program to meet an urgent need, particularly for underprivileged Indian children. Projects are organized at the local level in agreement with the families. Down payments are \$300 to \$400; help may be given in meeting this obligation. Mortgages amortized over 20 years are payable at the rate of \$60 to \$70 a month, but monthly payments are geared to income and heavily subsidized.

Manitoba : Improving rural non-farm housing. The most acute problem is the appalling conditions among the 25,000 Métis families living adjacent to Indian reserves. Adequate housing must be coupled with other rehabilitative programs to meet the urgent needs of Indian and Métis people. There is interest in the subsidized housing program in Saskatchewan. The special needs of small towns are also common to the three prairie provinces. All the towns in the prairies are described as "modest in scale, stereotyped in their development. The construction is invariably wood frame with the majority of the houses built before World War I. Many of these communities are without sewers and water, or have just acquired such modern necessities... Public housing if it was provided would be the best housing in town. The very fact that the house is new and completely equipped with modern conveniences would give families in public housing certain advantages. This creates a resistance to any type of public housing, except for the elderly." A new approach is needed to meet the needs of people who choose to live modestly in small towns.

Ontario : Creating a partnership of private and public enterprise.

Experience in this province has underlined the fact that a massive public housing program alone will not solve the housing shortage. The private builder and the lending institutions must be involved. The objective in Ontario is to operate in a climate in which public and private enterprise can work together. The Ontario Housing Corporation, through land assembly and condominium projects, hopes to make home ownership possible for a large majority of the people of Ontario. Eventual resale of public housing units to private purchasers is considered desirable, though at present under the National Housing Act the rental developments built by the Ontario Housing Corporation cannot be disposed of in this way. The role remaining for public housing will be to fill a recognized social need of low-income families whose rent must be geared to income.

Quebec : Priorities for provincial action. The first objective of the Quebec Housing Corporation is to assist with the housing problems of individuals and families of low and moderate income. All the financial and other resources of the different levels of government to implement this objective are co-ordinated through the Quebec Housing Corporation, but the municipalities remain the primary agency for implementing housing programs.

The Quebec Housing Corporation was created in 1967 and became fully active early in 1968. It has given priority to aid in housing low-income and medium-income persons and families. In practical terms this means those earning less than \$7,000 to \$8,000 a year. The corporation is active in projects of urban redevelopment, but sees its role as giving leadership, deciding general policies, co-ordinating activities and giving financial aid. Municipal offices and social agencies are expected to draw citizens into active involvement in such projects. Co-operative housing organizations are recognized and encouraged.

New Brunswick : People as the priority in housing programs.

Housing is a recognized tool in solving economic and social problems, as well as an end in itself. The province is especially concerned with the relocation of people from declining rural areas

to the cities where the jobs are, which means, among other things, providing new housing.

Co-ordination of housing projects with overall economic and social development programs is well exemplified in ARDA operations in northeast New Brunswick, where manpower retraining and counselling services are part of the total scheme. Many relocated families from such areas are to be rehoused through the provincial program. The New Brunswick Housing Corporation has been in existence since late in 1967.

Nova Scotia : The contribution of housing co-operatives. The stress has been on co-operatives which can receive joint loans, construction and financing advice and municipally purchased land sites. This plan favours families with incomes from \$4,500 to \$8,000, and Nova Scotia would like to extend its benefits to the large group of the population earning \$4,500 or less. The Nova Scotia Housing Commission was first set up in 1934, and the first co-operative, consisting of 11 houses, was built in 1938. Under this scheme the province provides 75 per cent of the finished cost of the house, while the group provides 25 per cent either in money or labour. The commission was not designed to build large-scale projects, but small community undertakings.

In 1966 housing legislation was updated, enabling the commission to enter into public housing projects, land assembly and urban renewal.

Prince Edward Island : Housing and resettlement. Social and economic change is disrupting traditional patterns in the province. The first two pilot public housing projects were begun in 1968, although senior citizen housing and some co-operative housing were constructed a few years earlier. A long-range plan for Prince Edward Island visualizes 8,000 new housing starts in addition to present programs over the next 10 years. The movement from rural areas to centres of employment involves resettlement housing. There is some local resistance to relocation, but new incentive approaches are under consideration.

Newfoundland : Meeting the need for housing in urban growth centres. A resettlement movement is under way in the province

from isolated communities far up the coast to urban growth centres. Assistance is being given by the government to help with relocation. There are problems of economic and social adjustment in which the supply of housing, its form of tenure, cost and design are important factors. Subsidized ownership would be more acceptable to the people moving from the out-ports than subsidized rental housing.

HOUSING POLICIES IN ONTARIO

The Honourable S. J. Randall
Minister of Trade and Development
Province of Ontario

In a luncheon address the Honourable Stanley J. Randall outlined the activities of the Ontario Housing Corporation and its sister organization the Ontario Student Housing Corporation. The corporation was established in 1964 as the residential building arm of the provincial government, after it had been assured that federal support and financial assistance for an expanded housing program in Ontario would be forthcoming. It has broad powers, none of them spelled out specifically in legislation. A team of experts, each with particular skills and experience to contribute, became OHC's board of directors. That team has built a program which, by 1967, had resulted in more housing starts than in the whole of Canada in the 15 years prior to 1964. By its extremely liberal interpretation of the 1964 amendments to the National Housing Act, it has expanded its programs to the point where, by the end of 1968, the corporation had provided housing for 100,000 persons. At the end of September, 1968, OHC had 16,639 family and senior citizen housing units under administration and another 18,413 units in various stages of development or construction. In addition, the Ontario Student Housing Corporation, which was formed in 1966 to provide universities and post-secondary educational institutions with an alternative means of providing much-needed housing, has under way accommodation for 5,594 single and married students, with accommodation for another 7,062 students under development. The federal government lends OHC 90 per cent of the costs of the capital construction; the provincial treasury lends the balance; OHC repays both loans with interest. Municipalities do not share in the construction costs, but pay 7½ per cent of the operating loss on family rental

units, the federal government paying 50 per cent and the provincial government the remainder.

The corporation has seven main programs lumped together under "Home Ownership Made Easy" which is commonly called HOME:

1. The largest program, provision of rental housing for families of modest income on a rent-geared-to-income basis, in various types of buildings including high-rise, detached, semi-detached and town house.
2. Rental accommodation for senior citizens, except in metropolitan Toronto which builds its own senior citizen apartments.
3. Rental accommodation for married and single students both on and off campus.
4. Assistance to smaller municipalities that have difficulty meeting a housing need, under the community development program.
5. To facilitate industrial expansion, particularly in northern resource areas, assistance in the provision of housing sites and accommodation for workers.
6. Land development programs, to make it easier for moderate-income families to own their own homes by eliminating the cost of land from down payments.
7. Encouragement of condominium housing through the provision of serviced building sites.

The diversity of the HOME plan derives from a conviction on the part of the Ontario government that there is no single answer to the housing crisis. It can only be solved by an aggressive response to the challenge of local problems.

Who in Ontario benefits from the program? A recent study in the city of Kitchener revealed that, as far as kinds of employment are concerned, the people housed by OHC are not significantly different from the rest of the population. However, the mean family size is substantially higher than average and the people have been unable to save enough money for the down payment on a house. Progress is being made toward arrange-

ments for the sale of public housing units to tenants whose income has risen to the point where they could move into ownership.

The major thrust in the provision of home ownership, according to Mr. Randall, is the land assembly program. In more than 40 municipalities, OHC is providing serviced lots for lease or sale to individuals and builders. It is also assembling and developing huge blocks of land for future use. Recent success in marketing subdivisions underscores the need for such a program.

The concept of leasing building lots has been successfully introduced. About 80 per cent of the lots disposed of were taken up on a 50-year lease basis. Mr. Randall considered this the most advantageous arrangement for the individual, who pays a rent based on the book value (basically the cost of the lot to OHC) at an interest rate of $7\frac{1}{4}$ per cent. The market value of the lot is protected for the 50-year term of the lease. Any time after the fifth year he can purchase that lot at the market value set the day he signed the lease. This program greatly reduces the down payment. Many families are in a position to meet mortgage and tax requirements but cannot possibly accumulate the down payments now required.

Mr. Randall hoped that condominium housing may provide a breakthrough in housing moderate-income families in areas of high land costs such as metropolitan Toronto. Condominium enables individuals to own the individual units that go to make up a multiple housing development, whether it be row housing, multistoried town housing, or high-rise apartments. Because condominium provides individual titles, it can be anticipated that the dwelling will appreciate in value in the same way as any other property.

To allow prospective homeowners to make full use of HOME programs, more money is needed from private lenders, in addition to what is available from CMHC. Lending institutions have been reluctant to support condominium mortgages. Unless they can be persuaded to do so, Mr. Randall feared that governments may be forced to enter this traditionally free enterprise field. However, there are steps which the government can take to assist the traditional lender without directly entering his field.

1. Increase the maximum term of NHA mortgages up to 50 years.
2. Accept loan applications where the gross debt service slightly exceeds 27 per cent of the applicant's income.
3. Provide a degree of income tax relief in respect to mortgage interest payments on residential mortgages.
4. Have a fluctuating interest rate on NHA mortgages.

In the field of housing much has been done; much more needs to be accomplished. Governments cannot work alone. What is needed is a climate in which government agencies and private enterprise combine their resources to meet the housing needs of the public. In doing so, we must be careful that we do not create two classes of people. Mr. Randall closed by quoting the words of Premier John Robarts, when he announced the formation of OHC in 1964: "In Ontario we will ensure that the opportunity to enjoy good accommodation ranks equally with the opportunity to enjoy economic stability, good education and all the other advantages which we tend to take for granted."

HOUSING POLICIES IN QUEBEC

The Honourable Robert Lussier
Minister of Municipal Affairs
Province of Quebec

Dr. Lussier reminded delegates that the just society which is desired by all will be just only to the degree to which it respects the personalities of each of the two parts which make up Canada. On this basis, Dr. Lussier is convinced that the provinces and their municipalities are best able to determine the needs of Canadians for housing and urban renewal and to unite them with other fundamental social needs, such as education, health and welfare.

Quebec intends to assume fully its responsibilities in housing and urban development which are by constitution within its exclusive jurisdiction. In 1949 the government adopted a law to encourage home ownership among families of moderate income. Under this legislation about 100,000 citizens of the province have received more than \$87 million in direct subsidies. In 1967 the Quebec Housing Corporation was created and since then has made public a five-year plan whose implementation will require investment of approximately \$400 million. Several of these projects are already on their way to realization. In addition, the government has taken several initiatives to integrate urban development with regional planning. Several cities have prepared master plans; the Economic Council of Quebec has produced a comprehensive framework for the development of the province. In the Department of Municipal Affairs, a planning bureau has been established which is at the service of towns and municipalities.

Dr. Lussier emphasized those features of the Quebec Housing Corporation which make it particularly well adapted to modern democratic procedures. The corporation actively involves the

municipal governments in undertaking renewal of their areas and construction of low-rental housing. It permits non-profit organizations such as co-operatives to participate in its housing programs. It requires municipalities to hold public hearings in the course of preparing plans for area renewal so that citizens will have the opportunity to study the projects and voice their opinions and recommendations. Municipalities may set up housing bureaus to which they may delegate their powers to create and operate low-rental housing. Finally, the corporation has undertaken to establish grievance bureaus which will meet once a month to hear complaints, if any, from occupants of such housing.

Dr. Lussier outlined steps planned to make even more democratic in practice the functioning of the corporation, such as: asking municipalities to form committees of citizens to participate in setting up the housing bureaus; holding public meetings at the regional level in which the principal interested parties will take part; setting up public hearings at which municipal administrations, civil servants and citizens can make known their views on housing problems. The ultimate aim in Quebec is that housing policy shall be administered not only *for* the people but *with* the people.

SELECTED HOUSING STATISTICS

GOVERNMENT ASSISTED LOW-INCOME HOUSING IN RELATION TO TOTAL HOUSING STARTS, 1946-1968

	1966	1967	1968	1946-1968 *
Dwelling starts	134,474	164,123	196,878	2,944,546
Dwelling completions	162,192	149,242	170,993	2,819,862

National Housing Act assistance for low-income groups as percentage of total housing starts

	Units		%		Units		%		Units		%	
Limited dividend:												
Section 16												
New housing	—	—	—	—	1,996	1.0	38,296	1.3				
Existing housing	—	—	—	—	—	—	426	0.0				
Non-profit:												
Section 16A												
New housing	1,612	1.2	1,103	0.7	2,237	1.1	6,202	0.2				
Existing housing	—	—	8	0.0	—	—	9	0.0				
Public housing:												
Sect. 35A (rental)	604	0.4	1,295	0.8	1,494	0.8	19,684	0.7				
Sect. 35A (sales) **	90	0.1	226	0.1	110	0.1	3,762	0.1				
Section 35D												
New housing	3,283	2.4	7,278	4.4	7,805	3.9	15,313	0.5				
Existing housing	—	—	379	0.2	482	0.2	499	0.0				

Total low-income housing assisted under

National Housing Act	5,589	4.1	10,289	6.3	14,124	7.1	84,191	2.8
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* Data are shown for the periods for which the relevant legislation has been in effect.

** Only in Prince Edward Island, Nova Scotia and Saskatchewan.

Source: Central Mortgage and Housing Corporation, *Canadian Housing Statistics 1968*.

PUBLIC FUNDS PROVIDED UNDER THE NATIONAL HOUSING ACT, 1964-1968

	1964		1965		1966		1967		1968	
	(million)		(million)		(million)		(million)		(million)	
	\$	%	\$	%	\$	%	\$	%	\$	%
Direct loans to the private mortgage market *	367.3	86.2	461.6	84.8	483.1	76.4	545.4	73.8	263.1	51.7
Loans for student housing (Sect. 36B)	38.7	9.1	26.1	4.8	50.2	7.9	57.3	7.8	61.3	12.1
Loans to limited dividend companies (Section 16)	11.3	2.6	0.6	0.1	—	—	—	—	23.0	4.5
Loans to non-profit corporations (Sect. 16A)	0.6	0.1	13.6	2.5	20.8	3.3	30.2	4.1	56.6	11.1
Public housing (Sections 35A and D)	8.7	2.0	42.6	7.8	78.1	12.4	105.7	14.3	105.0	20.6
Total	426.6	100.0	544.5	100.0	632.2	100.0	738.6	100.0	509	100.0

* Includes loans made under the National Housing Act, Section 40, for home ownership and rental dwellings and loans made to approved lenders under the NHA, Section 11.

Source: Central Mortgage and Housing Corporation.

THE PRIVATE SECTOR — A PANEL DISCUSSION

Chairman

THE HONOURABLE FRANK C. MCGEE, P.C., *Vice President,
Public Relations Services Limited, Toronto*

Panel Members

T. M. FERGUSON, *Mutual Life Assurance Co. of Canada, Waterloo*

HERBERT C. AUERBACH, *Concordia Estates Development Co.,
Montreal*

ALEX J. RUBIN, *The Rubin Corporation Ltd., Toronto*

S. BRUCE McLAUGHLIN, *The McLaughlin Group, Port Credit,
Ontario*

T. M. Ferguson : Financing housing. As a starting point probably we could look back briefly at the support that has been given to housing in Canada by the private lending institutions, principally the loan, life and trust companies and the chartered banks. From 1948 to the end of 1967, a period of 20 years, 60 per cent of all housing starts in Canada were financed by lending institutions, 16 per cent by public funds, and the balance of 24 per cent from other sources, either where people did not need to borrow or through private loans. At the same time, funds have been used to make it possible for Canadians to purchase existing homes. Five-and-a-half billion dollars was put into that phase of the housing market. Without mortgage financing to make the purchase of existing housing feasible, the provision of new housing would be doubly difficult.

In the postwar era, 55 per cent of the increase in assets of the life companies and 66 per cent of the increase in assets of the trust and loan companies has gone into mortgage investments. This is evidence of the priority position given to the mortgage sector by private lenders. The mortgage investment of lending institutions, that is, the life, loan and trust companies and chartered banks, for housing in this 20-year period was \$18.8 billion. It is true that in 1966 there was quite a substantial cutback in the financing of housing under the NHA by the lending companies. One of the important reasons was undoubtedly the fact that the rates available on NHA mortgages had become quite unrealistic in relation to that of other investments. There were sufficient opportunities in the corporate securities field and the conventional mortgage field to absorb available funds of lenders at much higher rates.

There is reason to believe that for many institutional lenders, the percentage of mortgage holdings among total assets has reached a plateau. At the end of the war, life companies had only 10 per cent of Canadian assets in mortgages. They now have 46 per cent and the ratio is tending to stabilize at these levels. Trust companies moved up from 24 to 56 per cent, and loan companies from 53 to 75 per cent. I believe that the corporate lenders have done a creditable job in supplying funds to the housing sector through the medium of mortgage financing. This has not been done as an act of benevolence, but as a reasonable and logical investment decision. All lenders are in active competition with each other for the savings of Canadian citizens. It is a prime responsibility to invest these savings to their best use insofar as safety is concerned and at interest rates that are competitive with other quality investments.

Housing continued to receive substantial support in 1968 from the corporate lenders. Housing starts reached 196,878, which made 1968 the most active in Canada's history by a healthy margin. Lenders, generally, invested quite heavily in mortgages. In addition, the chartered banks which had been out of the mortgage business for years reentered this field, lending as much as \$350 million in 1968.

While we are giving thought specifically to the problems associated with the provision of housing we should remember that

an acceptable standard of living involves much more than a comfortable house which the occupant can purchase within his means, or rent at a rate in keeping with his income. Without schools, roads, hospitals, shopping centres, factories, warehouses, churches, and many other types of development requiring borrowed money, it would be impossible to develop adequate standards of urban living. The corporate lenders are involved in financing these other requirements of our communities as well. Particularly in recent years, demands from Canadian business for funds to finance industrial expansion and from all levels of government to provide social capital have been strong and insistent. You can be assured that investable funds are not sitting idle while acceptable investments are available in housing and in other fields. Investable funds are in short supply and financial institutions can only lend to others the funds that come into their hands.

We hear much talk about the quantity of multiple-family accommodation that is being provided. I think we can expect this to continue for some time. Over half of our population is under 25 years of age; birth rates have declined quite sharply in the last few years, and seem likely to continue at their present or at lower levels. When the demand for high-rise accommodation falls off, and it most certainly will sometime in the future, we will assuredly see a switch to some other rental accommodation, perhaps more town housing. Nevertheless, the current age distribution of the population which will continue for some years seems to put a special emphasis on the need for rental accommodation. A recent article pointed out that by 1980 the starts for multiple units would likely be three-fifths of the total.

The larger and more expensive home continues to have a ready market. One thing supporting and encouraging so much housing in this category is the preference for more and more abundant amenities at all levels of the housing market, even more than the ability to pay suggests. Builders' experience shows that unbalance: that the minimum house does not sell as well as more elaborate models. This seems to parallel similar developments in the market for automobiles. The financing of the new house in any price range does very often mean the upgrading of the homeowner's housing, while vacating an existing housing unit for somebody else.

Where does our housing shortfall lie? There seem to be two areas: one is the inadequacy of housing for those in the lower income bracket, and the other is the replacement of housing that does not come up to acceptable standards. Regrettable as it may be, there is reason to believe that much of our housing replacement needs will of necessity have to be postponed due to the continuing shortage of capital. It would appear likely that only some of the most urgent requirements can be undertaken. Re-development schemes on a significant scale will require large amounts of government financial assistance. As long as family formation continues to increase at a rapid rate, the new households will mean a full challenge for available private capital.

An expanding housing program needs an increased supply of investable funds. And from what sources can we expect to get help? From the pension funds? These are one of the most rapidly growing forms of savings in Canada today, and yet less than 10 per cent of their assets is invested in mortgages. Investment in mortgages is something quite new for some funds, but a number of them have swung over to mortgages substantially, and it is possible that others will follow as time goes on. Facilities are now available where organizations with experience can handle the administrative work for pension funds and further broadening of this market is under way. From union funds? I've been led to believe that their holding of mortgages is nominal. If this is so, then is it possible that a portion of the assets might be diverted to mortgages? Even the financing of housing for some of their own members could be of significant help. From foreign capital? This will depend substantially on the stability of our economy and the exchange rate for the Canadian dollar which will indicate to the foreign lender that this is a safe place to invest. Interest rates will need to be at a level which will encourage funds to flow to this country rather than to go elsewhere.

In all of this let us remember that if additional investable funds are drawn into housing, savings will be diverted from other types of investment which may also have high priority claims. The challenge now before us, which will persist in the foreseeable future, is not limited to the field of housing. Greater urbanization means an increase in traffic and transportation, air and water pollution, the jumble of conflicting land uses, rising taxes

and municipal administration problems. In the area of transportation and traffic alone, it has been stated that we may expect an increase of 60 per cent in the number of cars and trucks by 1980. A large capital investment will be needed to prevent worse congestion than now exists, particularly in the larger urban centres. It has been estimated that a minimum of \$4 billion will be required for this purpose in the next 12 years. There is no particular problem in perceiving the difficulties that lie ahead, but to perceive them is so much easier than to overcome them. Industry will require substantial sums of money for enlargement of plant and equipment between now and 1980. It has been projected that by then, we in Canada must bring into existence over three million new jobs or over 500,000 more than in Britain, West Germany, and Italy combined in the same period of time. To do this means substantial borrowing for the expansion of present plant facilities, the building of new ones, and the purchase of equipment. These are other areas which must have continuing financial support in order that our people may live under conditions that will not deteriorate, even while we hope that some inroads will be made in inadequate housing. And in all of this we must put it to government to allocate a fair share of the public purse, particularly to provide better shelter for families with lower income. Slum clearance and proper housing for low-income families should lie heavily on the conscience of all of us. To improve conditions is a risk which all of us must jointly share. Institutional lenders, however, should not be expected to do this by artificial diversion of funds to this area. Their funds are not raised by magic, but are either borrowed from or entrusted by individuals who must have their interests protected and achieve competitive rates of return. Its success will not be accomplished overnight. Private financing and private initiative must be supported and supplemented by significant government programs and policies not only at the federal, but also at the provincial and municipal levels, to meet the housing problem in Canada.

Herbert C. Auerbach : Technology and housing. How does technology apply to housing? Housing is only part of the complex construction industry. It represents only 26 per cent of all the building done in Canada. (These are 1966 figures.) I think the

percentage of housing will increase, but this is an indication of the part it occupies in the building picture now. But housing is not only to be considered as a part of a productive construction industry, it is an integral part also of general plans for urban development. Most renewal projects are about 40 per cent housing. I think we will see the percentage of housing as part of urban renewal go up because we recognize that the centres of our cities are no longer viable unless they have people in them, and unless these people are living in a meaningful way with respect to the city. In addition to being part of the construction industry and of urban renewal, housing is an important part of all the social problems we are faced with at present. There is no question that housing, and environment generally, is a vital consideration in curing social ills.

What has all of this to do with technology? In solving the housing problem, the application of technology cannot be limited to the construction aspect of housing alone; technology has to be applied on a broad base. If we apply technology only to construction, we are limited in the achievements we can make. Technology must be applied in all areas: for market analysis, for the development of user requirements, program techniques, etc.

The greatest effort being made in research in technology is by manufacturers of building materials and equipment. The funds available for this work are limited. Research is invariably product line and material-oriented and applies to marketing or new product design, having little to do with an overall housing program or system.

The application of technology must also take place in the development office so that land utilization and project economics can be analyzed more precisely. It must take place in the architect's office so that programming and design can be handled more efficiently. It must take place in the field so that project realization and operations are efficiently planned and executed. It is the co-ordinated effort of this applied research and technology that will pay off in the end.

We hope that the application of technology to housing will result in less expensive and better quality housing, in faster construction, in greater amenities, in housing available for more

people and as part of a better urban scene. Has this really been the case?

Despite escalating wages, construction costs have remained, in respect to the rest of the economy, relatively low. There has been an increase in the cost of land of 380 per cent, but in construction of only 88 per cent between 1949 and 1967. Building costs have not been as much to blame as some other factors in the rapid increase in housing costs, which have undoubtedly outstripped rising incomes. Average family income went up 50 per cent between 1959 and 1967, but the average monthly housing cost to the family went up 62 per cent. We are in a constant race between the earning capability of the public and the total cost of housing to them. Technology can solve part of this problem, but only part of it. Pre-engineered, prefabricated homes cost much the same as traditionally built single-family dwellings. However, in a recent study it was found that when you can apply highly technological systems to traditionally built housing, by applying sophisticated time and motion studies for example, you can improve the cost by 10 per cent. That means we could take \$1,800 off a house selling for \$18,000. But the average contractor can't use these tools because in Canada he builds only a few houses a year. He doesn't build in the volume that would justify this kind of technology. Through industrialized components with interfaced compatibility we can cut down field labour: yet in a single-family house, field labour is only about 19 per cent of the total cost. The minute you go to multiple-family housing, labour is 40 per cent of the total cost, so if we can go to industrialization we can make much greater savings. There is a strong feeling among systems people that if we take it to the next step, with large enough projects, so that we can apply systems design — that means rationalize everything that has to do with housing from market research to financing to technology in all areas — we could save 30 per cent.

The next question is whether the 30 per cent saving is going to be passed on to the homebuyer. In most cases where there are savings in construction these are not passed on to the homebuyer in a cash benefit, but in quality or in greater amenities such as swimming pools. Perhaps we should not look to technology to save us money. I don't think we have really decided

what housing should cost. There is a great mystique today about reducing the cost of housing for low-income families. Recent studies indicate that low-income families require higher cost housing, they need more space, more equipment, more facilities.

This country is spending about \$3 million a year in research which is going to benefit housing in various, very fragmented, ways. The professions are limited in what they can do because of their lack of funds. And when a contractor is building something he is too busy, and when he is not building anything he can't afford any kind of research. I've never heard of a contractor who takes one penny out of the money he earns and puts it into research and development. It's not because he doesn't want to, it's because the nature of the industry doesn't make it possible.

It is high time that, after 3,000 years of building, something be done to advance the construction industry, and make it an industrialized and sophisticated member of the space age economy. This can only be accomplished in one way. The radical solutions required by the critical housing problem will not come in the fragmented, traditional approaches we have today. Canada must declare war on the housing problem. We must deal with it in new and radical ways. We must direct energy, manpower, talent, technology and funds to make new solutions possible. We have seen what this country is capable of doing under war conditions, when under government direction and leadership private enterprise gathered its forces and accomplished the impossible. Canada is in a unique position to give housing a high national priority and to create an advanced building industry, advanced in the technique of creating new great cities and new great towns. What a significant contribution this would be, not only to the development of this country, not only to the housing of its people, and not only to the building of a productive construction industry, but to the creation of a technology and a methodology that would be highly exportable. If we are truly concerned about the welfare of man, let us learn how to house people in great and beautiful cities, let us win the space race on earth and create an environment in which people can live and work with dignity and joy.

Alex J. Rubin : Rebuilding old areas. Currently, our company is engaged in redevelopment projects in 12 cities in the U.S. and Canada. But it seems to me that the more experienced one gets in this area, the more one is impressed with the complexities and the problems, with how much one doesn't know about the methods, and whether you are doing the wrong thing or the right thing at any particular time. Redevelopment is still experimental, although it has been under way in the United States for a couple of decades. There are still serious errors being made.

The redevelopment of our cities is important, both in the short term and the long term, both physically and socially. Urban redevelopment at its best involves a partnership between government and private enterprise. At its worst it involves a spot, private redevelopment which is only rarely comprehensive enough to be considered good. The purpose of redevelopment is to maintain a desirable environment, to renew old properties, or to replace a bad environment with something that will create values for the community, fill a need in the community and spark wider peripheral improvements.

Renewal rather than redevelopment is gaining greater acceptance. I believe that the significance of renewal has been overlooked and will become a greater factor perhaps than redevelopment as such. In the first place it is more economical. Renewal retains the charm and the desirable aspects of a well known neighbourhood in the community. Renewal tends to retain most of the people who are part of the community, a great many of them in any event. Renewal can be applied on a house-by-house basis or on a block-by-block basis with a minimum of disruption to the people living in the neighbourhood. Renewal allows for the redevelopment of the least desirable properties to a higher density without creating a density problem in the neighbourhood as a whole. Renewal allows the opportunity of grouping and consolidating sites for parking and for recreational purposes.

Redevelopment, which is the tearing down of an area, involves to a far greater extent than renewal the education of people in the neighbourhood to the meaning, the needs, and the problems. It involves massive relocation of people with all the attendant problems both physical and psychological. Redevelopment involves massive expropriation, comprehensive replanning of areas,

road improvement, and a tremendous amount of upheaval. Redevelopment involves the complexities of writing down properties based on their designated use, rarely writing them up for higher use, although that does happen as well. Redevelopment involves negotiations with developers, it involves the selection of a developer which is a process fraught with difficulty, not simple and not often logical. Once a developer is selected, it is necessary to evaluate the original planning and establish within a realistic marketing framework the concepts and architectural designs and timing. The whole procedure is so complex and involves so many people and organizations, often with conflicting aims, that it is no wonder redevelopment takes so long to accomplish, is so expensive and often so discouraging.

There must be simpler ways to do the job, and I believe there are. Such simplification at the very least requires an act of courage on the part of politicians and of public servants. It would call for a greater use of private enterprise at an early stage under suitable ground rules and it would require an acceptance of the principle of negotiation as opposed to public tenders and open competition. Obviously direct negotiation with the developer is not applicable in every case and each situation should be critically evaluated from this point of view. But I would guess that most redevelopment schemes would be done better, faster, and more economically by using competent developer organizations as co-operating partners from the beginning.

There is a tremendous reservoir of talent in our industry which is not being fully and effectively used by government in their efforts to produce housing and to improve our environment. An imaginative, courageous government can meet the challenge of renewing our cities in the coming years by finding acceptable ways to work more effectively with the private sector.

S. Bruce McLaughlin : New communities in the suburbs. I have been asked to speak about suburban development: where we have been, where we are now, and where, in my opinion, we should be going. Any discussion of suburban development must include an assessment of overall urban growth patterns if it is to be meaningful, but I will not subject you to a lengthy dissertation on the

history of urban sprawl. We know too well what it is and most of us submit to its daily tyrannies, such as traffic congestion.

Urban sprawl was spawned after the war in our hasty efforts to meet the pent-up demand for adequate housing. There was a great deal of building to do, not only to make up for the war years, but to keep pace with an accelerated rate of family formation. However, in those early postwar years planning was more expedient than long range.

Now planning has matured to the extent that senior government departments are involved in regional planning. This is planning for geographical expanses encompassing a number of communities, restructuring these communities for greater efficiency and economy of growth. This approach has brought us into an era of "macro-planning". We need macroplanning and it will require vision, energetic leadership and wide public understanding to achieve it.

Urban sprawl is compounded by a hodge-podge of municipal and provincial responsibilities for public services and planning. Responsibility is divided among a maze of county school boards and road committees, public utilities commissions, overlapping planning authorities, the Ontario Department of Highways, and the Ontario Water Resources Commission. The federal government is also in this welter of authority.

The jumble of jurisdiction often produces clashes of interest. It is inefficient, tends to stifle orderly development and wastes valuable time. It creates the frustrations of dealing with creakingly slow and ponderous administrative machinery.

Small wonder that many developers and investors are discouraged from continuing with their plans, or even staying in the industry. In the field of housing and development, for example, the production cycle has been lengthened from one to five years. Indeed, it is not unusual for viable development to be delayed five to ten years. This slow suffocation of development is keeping the supply of housing down, the prices up.

It is also helping to drive the prices of homes beyond the reach of more and more families. I believe that most Canadian families can have an opportunity to own single-family dwellings — if government administrative and financial conflicts and inefficiencies

are eliminated, and if private developers and builders are permitted to build the size and type of homes that Canadians need and can afford.

And it is wrong to assume that most land available for development is deliberately kept off the market by speculators. Thousands of acres of land are in the hands of developers eager to proceed with whatever development municipalities decide is suitable. But developers are often stymied because municipalities and school boards are financially incapable of coping with large-scale development and therefore refuse to authorize it.

Local administrations pay a substantial part of the costs of education, mostly out of property tax revenues. They gear the expansion of homebuilding to a minimum of 40 per cent non-residential local assessment. They cannot encourage large-scale homebuilding because they lack commercial and industrial assessment to cushion the cost of education and other public services generated by residential development. At present, municipalities cannot permit the building of small homes on small lots, because they cannot afford to educate the children that would populate the new homes. But such restraint is ineffective because the number of children that must be educated keeps increasing, regardless of the pace of home construction. In short, residential development falls the victim of the municipal struggle for balanced assessment.

Basically, planning should be made more responsive to long-term needs; government responsibilities should be clarified to overcome administrative and financial obstacles to development.

We need operational planning adaptable to the technological and sociological changes of the next 30 to 50 years. In this respect, we should plan for a population of 10 to 20 million in central Ontario. It is also imperative that we plan almost in perpetuity, in terms of a future population of 100 million in southern Ontario. We must also anticipate how future generations will want to live in new and expanded cities and towns.

This conviction is based on a number of factors. For one thing, the Great Lakes contain one-fifth of the world's fresh water supply. Moreover, southern Ontario will become one of the most populous regions of the world. Meanwhile, investment interest in southern Ontario continues to be high, assuring overall growth.

It is predicted that by 1985 the number of automobiles on the roads in developing areas west of metropolitan Toronto will quadruple. And by 1985, the number of passengers leaving and arriving at Toronto International Airport each year is expected to increase to 19 million.

To meet these pressures, we need regional planning, not regional government. We need regional planning by a provincial department with authority to co-ordinate development between two or more municipalities.

We must build cities before we can build houses. Regional official plans should flow from consultations with municipal administrations and local property owners. Zoning bylaws should then be implemented by municipalities after consulting local property owners. Furthermore, municipal building bylaws should incorporate site-plan controls, regulating such matters as access and location.

Strict time limits should be imposed on all planning procedures to expedite development, unless it is clearly premature or is against the public interest. Official plans and zoning bylaws should be subject to review on appeal by an independent land tribunal.

Present long-range planning tends to be transportation-oriented rather than people-oriented. This could turn urban sprawl into a new kind of regional commuter sprawl. Already many commuters are travelling 30 miles and more each day at a heavy price in wasted time, energy and money! No society can afford to finance a commuter society, especially when better alternatives are available. We should plan communities which eliminate as much as possible the commuter aspect and offer as wide a choice of services and social amenities as possible. People should be drawn into a community, not dispersed from it. At the same time, we need an economical system of transportation corridors and centres to serve our present requirements, and our ultimate communities as well.

It is equally important that government responsibilities at various levels be clearly defined and if necessary restructured. The lines and burdens of responsibility and financial capacity between various government agencies must be put into proper perspective. Municipalities should be concerned primarily with the operation of local services. Provincial governments should be responsible

for capital expansion of public services and educational facilities and offer these new facilities to municipal governments on a lease-purchase arrangement.

Provincial governments must ensure that municipalities can financially fulfil the responsibilities assigned to them. Municipalities, on the other hand, must abide by the intent of provincial legislation. They must implement official plans and zoning bylaws without undue delay. They must also enter into development agreements, providing such proposals are not premature, as defined by provincial statute.

The federal government, in turn, should ensure that sufficient debt financing is available to the provinces to build new municipal and educational facilities. It must see to it that adequate mortgage funds are available to meet the demand. And it should co-ordinate planning, particularly of airports and harbours, with provincial authorities.

In other words, higher levels of government must manage the economy and create financial institutions which best serve the private investment sector.

There will be adequate housing at a cost most families can afford if provincial and local governments realistically adjust their responsibilities and financial obligations.

In general, a single-tier form of local government would be a positive move toward this goal. It would be much more sound if multistructured local government were replaced by single administrations for each city and each county. The counties in this sense could include unincorporated towns. Under some circumstances, two-tier local government may be desirable. As it now stands, there are governments within governments in each city and county.

My organization — the McLaughlin Group of Companies — believes that a system of urban centres must be created in the southern Ontario megalopolis. We call this the structured megalopolis. These urban centres, I might add, are frequently referred to as satellite cities. The term can be misleading because it connotes a high degree of dependency on the central city. Oddly enough, the term "satellite" also has been used to indicate new, isolated, self-sufficient communities.

A structured megalopolis would be different. For example, this would mean seven relatively self-contained but well integrated, large urban centres clustered along the Lake Ontario shoreline from Oshawa to Hamilton. We envision a megalopolis divided into a number of large, sophisticated and substantially autonomous cities, in each a comprehensive core, with a variety of facilities and amenities. These cities would be connected and related to the central city in an urban belt which may be described as the central Ontario megalopolis. The central city would be metropolitan Toronto, offering the ultimate refinement of social, cultural and commercial facilities. A network of hinterland towns would be interspersed within the megalopolis.

If we do not turn to the structured megalopolis concept as the solution to disorganized sprawl growth and to avoid commuter sprawl, we will face the inefficient, high-cost urban belt problems of the world's major cities. We, too, will be locking our cities into the type of urban straightjacket which grips New York and London. If we turn to the structured megalopolis concept, people will live, work, shop, be educated and enjoy recreation within well-integrated communities. We will reduce traffic congestion and transportation time enormously. People will have more leisure and a better life with less travel anxiety and fewer accidents. The structured megalopolis approach is logical.

We are after all dealing with social or human needs and desires. We also need efficiency and we must structure natural growth to achieve it. If a city is too small, it will not serve its residents economically, functionally or qualitatively. It will necessitate a costly commuter society. If a city is too large, it will be cumbersome and inefficient, conflicts of interest will be harder to cope with and some of its democratic institutions will suffer.

In the structured megalopolis, the central city would have a population of five or six million, each of the ancillary cities more than a million, each of the towns no less than 100,000.

The McLaughlin Group is taking positive steps toward the fulfilment of this concept. We have 3,000 acres and a billion dollar proposal to set an orderly pattern for the southern Ontario megalopolis. We propose a comprehensive new city centre for the Town of Mississauga, a young but large municipality of great potential, located between metro Toronto and Oakville.

We are offering 25,000 housing units over a five-year period, to be built concurrently with the main commercial-civic complex. We visualize the project as the start of a model city of more than a million by the year 2,000. We can get it under way without any cost to any level of government. However, government and planning support is required. Without it, we cannot reserve adequate land for a new city development of this scope.

A regional shopping centre at the heart of Mississauga city centre is designed for an ultimate 1.5 million square feet of retail selling space in a balanced variety of stores. A civic administration centre, transportation terminal, parking facilities, hotel or apartment-hotel, office buildings, amusement and recreational facilities are also planned.

Home construction would not impose a sudden and heavy financial burden for education on local authorities. We are offering to indemnify the local board of education against any extra cost in educating youngsters living in the new housing, to pay the municipality's share of the school capital costs.

Our cities are our productive factories. We must plan for the long term as well as the short term, to make them efficient and capable of inevitable expansion. We should not have to rebuild our cities at enormous expense. Our cities should satisfy our hunger for aesthetic and social qualities as well.

CO-OPERATIVE AND NON-PROFIT HOUSING — A PANEL DISCUSSION

Chairman

REV. J. N. MACNEIL, *Bishop of Saint John Diocese*

Panel Members

HEINZ UMRATH, *Secretary, International Housing Committee,
International Confederation of Free Trade Unions,
Amsterdam, Holland*

JAMES MACDONALD, *Executive Secretary, National Labour
Co-operative Committee, Ottawa*

ROLAND CÔTÉ, *Executive Director, Quebec Federation of
Housing Co-operatives, Quebec*

JAMES P. TWOMEY, *Director, Non-Profit Housing Center,
Urban America, Inc., Washington, D.C.*

Heinz Umrath: The European experience. Public or social housing has been built in Europe over the past 70 years, with the result that it is completely accepted and sought after by workers' families: public housing does not suffer from a stigma. Visitors from Europe notice the great difference in attitude on this continent. In Europe "third force" housing (self-initiated group efforts and co-operatives) has become very strong, especially in countries where the government was less ready to accept responsibility for housing. The Scandinavian countries have been particularly successful in developing co-operatives. In such projects, briefly, one is the owner of the buildings collectively and the tenant of one's own co-operative. In Sweden about 17,000 to 20,000 houses a year, or 20 per cent of the yearly

output, are built by two main organizations, the saving and housing co-ops and the *Svenska Riksbyggen*, which was formed to create new employment during the depression. The progressiveness of the Swedish nation derives from a willingness to merge a social approach with the purely economic approach. The "third force" has been encouraged in order to provide "social competition" between private enterprise on one hand and government enterprises on the other.

It is important to know that most European co-operative projects get heavy financial support from governments, and in this way are able to keep the cost of housing within the limits of average family income. The financing and subsidizing of housing is part of a general price and wage policy. No one is prejudiced against subsidization and even less against government financing.

Large-scale housing projects in Europe have permitted some experimentation, and it is interesting to note that industrialized, prefabrication techniques have been tried and have not been considered successful in any massive way. Smaller components can indeed be standardized and prefabricated, and used in the construction of homes assembled on site.

James MacDonald: The role of co-operatives. Co-operative housing combines some of the best features of private ownership and public housing. It began in Canada in 1938 with a housing co-operative in Sydney, Nova Scotia; there are co-ops now in Quebec, some parts of Ontario, the prairies, and the other Maritime provinces to a limited extent.

Co-operative housing began in many cases as a shared-work program for a group of families who undertook to combine their labour along with mutual financing. The men did much of the construction in evenings and weekends. Some co-operatives are still being set up on this principle, but the trend, if the co-operative idea is to expand, will be to town housing and high-rise buildings with co-operative planning, financing and maintenance. The members of the co-operative are at the same time owners and tenants. One of the values in the co-operative approach is the opportunity to develop a sense of community in an urban setting.

If co-operative housing is to increase, the important factor is "mobilizing the sponsorship potential" among trade unions, credit unions, churches, consumer groups, tenant associations, etc. An organization is now being set up to be known as the Co-operative Housing Foundation, sponsored by the Canadian Labour Congress and the Co-operative Union of Canada, assisted and encouraged by Central Mortgage and Housing Corporation. The objective will be to interest sponsoring groups and to provide them with expert consultants. If the co-op functions as a maintenance body after the housing is built, a significant decrease in cost is possible, accounting in part for such differences in cost as are evident in Nova Scotia where a single-family co-op dwelling costs \$10,000, compared with a public housing unit at \$18,000.

Students are also taking the initiative in co-operative housing and are filling a real need.

Roland Côté: Co-operative housing in Quebec. *Co-op Habitat* began in Quebec 30 years ago, and now houses 10,000 families in that province. There are fewer co-ops at present (22 in 1968), but they operate on a much larger scale and include amalgamations of smaller associations.

In the first decade, *Co-op Habitat* operated on a small, pioneer scale, with members contributing labour and pooling funds. By 1947 some associations were thinking in more sophisticated terms, mapping out ambitious programs and employing full-time staff. There was an effort to compete successfully, in size of operations and in efficiency, with commercial building contractors.

In the 1960's the emphasis has been on examining the larger role and improving the structure of *Co-op Habitat*, from the central federation through regional offices to the local co-op. The setting up of the Quebec Housing Corporation in 1967 has meant a sympathetic avenue to government support.

Currently *Co-op Habitat* is building co-operative apartments. The first will include 1,000 family units. Through their co-operative the owner-tenants will provide their own day-care centres, recreation and adult education programs, savings bank, consumers' co-op, and so on.

Through the co-operative system it becomes possible to remove housing from the realm of market speculation, so that the member

will only have to pay for his housing service exactly what it costs. He will be able, through the democratic process, to criticize, approve, reject and change those services and policies in his living environment which in any way affect his housing.

James Twomey : Technical assistance to non-profit groups. The Nonprofit Housing Center at Urban America, Inc., is financed by a grant from the Ford Foundation, and has contractual arrangements with a number of churches in the United States to aid their local parishes in developing housing programs. It offers a counselling service to guide such projects through the maze of housing development complexities. Suggestions are offered for the production of five different types of housing by non-profit organizations. There is a housing program for the elderly, drawing on the federal government for special loans for this purpose at 3 per cent interest. In 1961 a moderate-income program was drawn up, to help those whose incomes are not quite large enough to enable them to secure private financing: this arranges for 40-year financing at 3 per cent. Another program draws on a special mortgage arrangement made possible by an act of congress, using mortgages from private sources but subsidized to bring the interest rate down to 1 per cent.

The Center has assisted in setting up 12 or 13 non-profit housing development corporations, including one in Buffalo, one in Detroit and one in Seattle. These promote housing through local groups which may be under the auspices of a church or a trade union. The procedure is to raise a 4 or 5 per cent loan from local corporations who are concerned with development of the community. The loan may not be large but is regarded as "seed money" which the housing corporation invests at a higher rate of interest to make a return for itself. The business corporations of the community in this way become involved in the success of the project because they have a stake in it. The housing corporation, however, has a free hand, without government interference, to work out financial and physical arrangements. It is free to be an innovator. One group has experimented with "instant rehabilitation", restoring a building by working down through its centre. Another has introduced scattered prefabricated units in an urban development project. They are, in effect,

vehicles to try out new things, new directions, new dimensions. One of their important functions is to educate the public on housing issues by involving private enterprise directly in the program. Approximately 60 per cent of the non-profit housing in the U.S. is sponsored by churches.

Recently a three-day conference was held in Washington by the Nonprofit Center at Urban America, Inc., and it was decided to create a Federation of Nonprofit Housing Sponsors, which would act as spokesman before congress. The Center believes a "viable third force" has been created.

EUROPEAN APPROACHES TO CO-OPERATIVE AND NON-PROFIT HOUSING

Dr. Heinz Umrath, Secretary
International Housing Committee
International Confederation of Free Trade Unions

Various stages can be distinguished in the development of co-operative, non-profit and limited dividend housing schemes in countries where they have been an important influence.

In the latter part of the nineteenth century, an almost heroic effort was made by higher paid workers and artisans in the larger towns of many countries to pool their small savings in order to create a revolving fund for continuous building activity. By limiting the rate of interest on savings, capital costs could be kept relatively low. Management tasks were carried out voluntarily by members of the board, which also resulted in certain economies. At the same time, the quality of housing provided was of a good standard.

Only a few of these co-operative societies, which were often established by the most active members of the young labour and trade union movement, survived the ups and downs of the economic tide. The decisive turn came only when the merits of the non- or low-profit organizations for the development of "social" housing in general, and especially for improving housing and planning standards, were recognized and supported by legislation, mainly in the fiscal field. This legislation usually took the form of tax exemptions for co-operative and other housing associations or limited dividend companies, provided they agreed to limit the rate of interest on shares or savings accounts, mostly to 4 per cent, and to use all profits above this limit for the promotion of housing.

This development started at the beginning of the twentieth century and was strongly influenced by the growing awareness of the

importance of decent and sanitary housing for the physical and mental health of the working population. It is, therefore, not surprising that, for instance in the rapidly growing industrial towns of Germany, numerous large employers used the newly created instrument of so-called "public utility housing enterprises" for the promotion of housing for their workers. Another incentive emerged when the newly established social insurance funds lent part of their accumulating reserves on favourable terms to social housing agencies.

It was not until the housing shortage resulting from World War I forced governments to stimulate the construction of low-income housing on a large scale that a breakthrough took place. Loans on favourable terms, often supplemented by subsidies, were the favoured instruments of these policies; and since central governments did not want to provide housing themselves nor — with the exception of the U.K. — to involve local government in the provision of housing, non- or low-profit enterprises became the main agencies of the post World War I housing drive. Their share in total production diminished when government assistance was terminated in the late twenties.

The importance of this public assistance is illustrated by the fact that 110,000 of the 164,000 dwellings built by housing associations in The Netherlands between 1902 and 1949 received aid under the provisions of the Housing Act of 1901. In the same period municipalities built 60,450 units, so that almost 20 per cent of the total of 1,266,000 dwellings constructed in The Netherlands during the first 40 years of this century could be classified as "social" housing. These dwellings formed 10 per cent of the total housing stock in 1940.

Lessons from Germany and Sweden

Two outstanding developments in this field deserve special mention. In Germany, post World War I construction was retarded by a galloping inflation until the currency reform in 1923. The top of the housing boom was reached in 1929 and 1930, when more than 300,000 units were completed annually, almost 40 per cent of them by "public utility" agencies. This was made possible by cheap government loans financed out of large reserves collected after the currency reform via a special tax on prewar real

estate. Half of these tax receipts were used for mortgage loans bearing 1 per cent interest. Ten per cent of the cost of the houses had to be provided by the builder.

Extensive use was made of these opportunities both by co-operative societies, for building and managing dwellings for joint ownership by their members, and by churches, private enterprises, trade unions and public authorities, in providing housing at economic rents.

The foundations were laid at this time for the powerful agencies which (though in many cases suppressed during the Nazi regime) played such an outstanding role after the last war.

The foundations were laid at this time for the powerful agencies the GEHAG, *Gemeinnützige Heimstätten A. G. Berlin* (Public Utility Housing Corporation Limited Berlin) built 10,100 dwellings before 1933, of which 7,200 were apartments and 2,900 one-family houses. The promoters of GEHAG were the local trade union centre, five co-operative construction enterprises, a health insurance fund, similar social agencies and the city of Berlin.

After World War II the development in the Federal Republic of Germany followed similar lines, making use of the financial and tax aids offered by the first and second Housing Acts. These provisions were available to all builders subject to certain limits on the rents charged and the dwellings conforming to certain standards of size and equipment. The share of non- or low-profit agencies in the total production never exceeded 40 per cent, although in the early fifties more than 70 per cent of total output received assistance under the first Housing Act.

There can be no doubt that even a share of about 25 per cent of public utility agencies in total housing production has a decisive influence on quality and costs in general. This is especially the case when large organizations such as the trade-union-owned *Neue Heimat* develop projects of 10,000 and more units. Such developments provide scope for modern design and up-to-date conceptions of town planning. Community facilities, including shopping centres, district heating systems and central self-service laundries, serve both apartment buildings and one-family row houses. The latter are mostly owner-occupied, while the apartments are usually rented. This is true, too, of co-operatives where,

as already mentioned, the occupiers are shareholders of the society from which they rent the dwelling.

As households with lower incomes can apply for individual subsidies in addition to the general subsidy linked to the dwelling, a wide range of social strata live in these projects. In Europe this is a marked change from the times of the "pioneers" when most of these "settlements" were conceived as typical workers' sections.

In Sweden it is a different story. Co-operative organizations have long played an important role in that country, where one out of every three families is a member of a consumers' co-operative society. When the tenants' associations, founded during World War I, were not able to prevent steep rent increases which followed the abolition of rent control in 1923, they went into building themselves. The new Tenants' Saving Fund and Building Associations of Stockholm quickly spread all over the country as HSB, the National Federation of Tenants' Saving and Building Associations.

Centralized construction, decentralized management

At the end of 1966, the National Federation consisted of 155 local co-operative societies with 300,000 members. The federation acts as a general savings bank and as the central planning and financing office of the local organizations. It employs more than 1,000 architects, engineers, town planners, accountants, administrators and financial experts who work under the general managers responsible to the administrative council or board of directors. The latter are chosen by the convention of the local HSB societies. Locally, a twofold system of co-operative organizations shares in the building of new projects and the general administration of the houses when completed. The "parent" society, which functions also as a branch office of the national HSB savings bank, buys the sites and finances and builds the houses. The finished projects are taken over by a separate, subsidiary co-operative society, the "daughter" society, formed by the people who intend to live in the new houses. A management committee elected by the members is in charge of the general administration of the project.

Theoretically, the prospective occupier of an apartment or a house has to buy shares of the co-operative society amounting to 5 per cent of the total cost of the dwelling. In recent years this has in fact risen to about 15 per cent.

The strength of the housing movement in Sweden is not based on HSB alone. Just as the foundation of this great, modern enterprise was the reaction of the tenants in the early twenties to a critical housing situation, so was *Svenska Riksbyggen* the answer of the building workers to the threat of unemployment in the 1940's. In 1940 and 1941, building activity declined drastically because of the uncertainties of the war which made the risk for speculative building too great. At the same time, the government for the first time offered third mortgage loans up to 95 per cent to co-operatives.

Under these circumstances, the building workers' unions founded *Svenska Riksbyggen* in order to be able to make full use of these loans to provide work for their unemployed members. The development of *Riksbyggen* was very favourable. In the first 10 years more than 25,000 dwellings were built all over Sweden. During the last few years, output has increased considerably, and production of 11,000 units was reached in 1967.

Like HSB, the SR group runs a number of factories producing building materials and housing accessories such as closets, refrigerators, sanitary equipment, etc. In addition, they make use of the largest building enterprises in Scandinavia. Financed by the trade union movement, SR was able to expand its activities in planning, designing and building of co-operative and rented dwellings, offices, hotels and other premises. In the housing sector alone, more than 127,000 units, representing a value of about US \$1 billion, were completed between 1941 and 1967.

The moving power behind this dynamic development is the specific approach of the Swedish labour and trade union movement to modern society. In their opinion, an essential element in the checks and balances regulating the economy of a free society is the competition provided by socially motivated and highly efficient enterprises of sufficient scale to be effective. Besides the manufacturing activities of the consumers' co-operatives, the building program offers an outstanding opportunity to

stimulate progress in an important industry and at the same time provide decent dwellings and related facilities at a fair price.

Even in Sweden, where the living standard is higher than in any other country outside of North America, many people cannot afford to save the sum necessary to become a member of a housing co-operative. Since the central government in Sweden is not prepared to finance the co-operative and other non-profit associations up to the amount of the total costs, other agencies must provide enough dwellings for rental purposes.

In Sweden this is done by the municipalities. Sometimes the financial department of a city or town is in charge of the housing program, sometimes the job is done through a special chartered corporation owned by the municipalities, often under joint management with independent groups. Here, too, the co-operative societies play an important role.

They have acquired a great stock of knowledge and experience in all fields related to modern housing and town planning and municipalities make use of this expertise, with the result that a great percentage of the houses built by local government are planned and constructed by HSB and *Rikshyggen*.

Groups served by co-operative housing

In general, the residents of co-operative and similar housing projects represent a broad cross-section of the population. Yet it will be clear from the foregoing that the membership of co-ops depends on the ability to save for the necessary down payment. This is the case even where the state provides assistance in the form of low-interest loans and other kinds of subsidies. Consequently, the clientele for this housing is for the most part recruited from middle- and lower-middle income groups such as skilled workers, government employees, professional people, etc. Low-income groups are provided for by public housing or "public utility" agencies administered or completely financed by public authorities. In certain countries — e.g., the Federal Republic of Germany, Italy and The Netherlands — even employers are active in this field. In recent years the situation has been aggravated by rising rates of interest and land prices as well as improvements in quality of housing. In such circumstances, even in The Netherlands where no down payment is

needed because housing associations can get a 50-year loan corresponding to total cost, low-paid workers, old-age pensioners and similar groups have difficulty in paying the initially subsidized rents of "social housing".

With the exception of Switzerland, where rates of interest are relatively low, amortization periods long and incomes rather high, European governments have not felt able to abolish general housing subsidies introduced during or after World War II. On the contrary, more and more countries are developing what David Donnison calls "comprehensive housing policies" within the framework of medium-term economic planning.

Co-operative and non-profit housing associations will have to play their part in these new developments, probably even in countries where their influence has been limited up till now. By offering to independent citizens and free organizations the opportunity to participate, they provide healthy competition both to bureaucratic institutions and to private speculative builders. Nevertheless, experience in the highly industrialized countries of Europe has shown that some measure of government support is usually essential to their success.

DWELLINGS COMPLETED BY TYPE OF INVESTORS
IN EUROPEAN COUNTRIES

Country	Year	Public authori- ties	Housing societies including co-ops	Private	Dwellings and rooms completed per 1,000 inhabitants	
					Dwellings	Rooms
Austria	1960	15.5	24.8	59.7	6.0	23.1
	1963	11.4	28.9	59.7	6.6	25.5
	1965	12.9	30.4	56.7	6.8	28.0
Denmark	1960	4.8 ¹	27.5	67.7	6.1	25.6
	1963	1.7	34.6	63.7	7.1	31.2
	1966	2.8	31.6	65.6	8.3	—
Finland	1960	4.5	45.2	50.3	7.1	22.3
	1963	5.4	57.1	37.5	9.7	30.1
	1966	7.9	53.5	38.6	7.9	27.4
France	1960	3.0 ¹	30.3	66.7 ²	6.9	—
	1963	2.6	30.2	67.2	7.0	—
	1966	1.2	30.6	68.2	8.4	—
F.R. Germany	1960	2.7 ¹	26.1	71.2	10.3	42.0
	1963	2.5	24.4	73.1	9.9	41.5
	1966	3.0	24.7	72.3	10.1	43.7
Netherlands	1960	23.6	26.2	50.2	7.3	38
	1963	19.8	24.4	56.0	6.7	34.5
	1966	24.9	27.0	48.0	9.8	50.9
Norway	1960	2.7	27.3	70.0	7.9	34.6
	1963	3.8	29.9	66.3	8.2	35.9
	1965	3.7	24.5	71.8	8.0	35.3
Sweden	1960	31.1	29.5	39.4	9.1	33.3
	1963	35.1	24.8	40.2	10.7	39.7
	1966	42.8	19.8	37.5	12.4	45.0
U.K.	1960	43.7	1.6	54.7	5.9	26.5
	1963	41.9	1.5	56.6	5.9	27.0
	1966	47.0	0.9	52.1	7.3	33.6

¹ In Denmark, France and the Federal Republic of Germany, municipalities and other public authorities often use housing associations as their agencies for building and managing low-income housing.

² Including reconstruction.

Source: *Annual Bulletin of Housing and Building Statistics for Europe 1966* (New York: United Nations), 1966.

CO-OPERATIVE HOUSING IN SCANDINAVIA

Area of 3-room apartment (2 bedrooms, living room and kitchen)

(Area in square meters — 1 sq. M. = 10.7639 sq. ft.)

	1939	1950	1955	1960	1965
Helsinki	61	—	66	—	74
Copenhagen	—	64	—	78	76 (1964)
Oslo	65	70	64	67	70
Stockholm	57	76	76	71	87

Indices showing changes in building costs, disposable income of industrial workers and costs in relation to income (1950 = 100).

	Helsinki			Copenhagen			Oslo			Stockholm		
	1939	1955	1965	1939	1950	1965	1939	1950	1965	1939	1950	1965
1. Building costs (per square meter)												
	7	157	225	38	127	206	52	127	174	95	123	176
2. Disposable income												
	6	136	244	49	137	275	53	152	284	55	136	246
3. Cost: income												
	117	115	92	78	92	75	98	84	61	173	90	72

Down payment for co-operatively owned dwellings in Scandinavian capitals
Equities to be provided by members of co-operative housing societies for a 3-room dwelling

	Per cent of production cost		Per cent of annual income of industrial worker	
	1939	1965	1939	1965
Helsinki	15	26.5	100	200
Copenhagen	5.3	9.5	15	30
Oslo	6.1	20.7	33	75
Stockholm	9.9	15.6	67	67

The Issues Reviewed

FINAL PLENARY DEBATE

Delegates had met in small groups during the conference to examine in detail five main topics in a series of policy workshops. The reports of these workshops had been distributed to delegates before the plenary session and formed the basis of discussion under the chairmanship of Jean-Marie Martin. In the meantime, members of the Guidelines Committee had met to review the workshop reports and to prepare a set of guidelines which, in the light of the reports and the discussions on them, appeared to represent the principal conclusions of the conference. These guidelines, as amended and approved by delegates at the closing session, form the official recommendations of the conference, page 331. The chairman of the closing session was W. L. Archer, Q.C.

The final plenary session of the conference was the occasion for considerable crossfire over a broad range of subjects. It began with discussion of the extent of our national commitment to housing. Had we really counted the cost of our proposals for better housing, our appropriation of resources in relation to other social needs? Some delegates were sure that if the need was fully understood — if it was known that many hundreds of our poorest families pay more than 50 per cent of their incomes for low-grade housing — the Canadian people would agree that the necessary resources must be allocated to meet this need. There was some impatience with any request for “more research”, a feeling that Canadians are “long on studies and short on action”.

It was suggested that we appear to have reached a point where a much broader approach to housing is required, that the narrow procedures of building physical structures which may have seemed

adequate in the past must give way to planning by large-scale institutions which take account of multiple social factors. Impatience was again shown by some delegates who urged that in the present emergency such theoretical considerations are of less importance than vigorously providing more houses for those who now are crowded into vacant armouries, shacks and tents. Political pressures to achieve an active housebuilding program should be the immediate concern. The opposite point of view was that we must for the first time clearly define our objectives, instead of quickly throwing up emergency housing. We may think or feel that there is a pressing need, but it has not been clearly estimated or defined. Any statistics for housing requirements are gross, covering a wide range of income levels.

The needs of the middle-income group are not a first priority, another delegate insisted. Consideration of housing for them should of course be part of total community planning. But the urgent need, the first priority, was housing for the poor and for the Indian, Métis and Eskimo populations.

Political considerations, it was suggested, make it much more practical to deal with the middle-income group, which forms the tax base in most municipalities. If a local politician stands up to urge the creation of public housing in specific neighbourhoods in his city, he is apt to be defeated at the next election. This point of view was challenged. Delegates, including a former alderman, protested that there was little evidence to show that municipal councillors had actually suffered at the polls for taking such action. It was an unfounded assumption.

A western delegate brought to the attention of the conference specific, urgent items which had been framed in his workshop as emergency resolutions. He accused the conference of backing away from positive action, and he felt that he and fellow delegates had been "snowed". The proposed resolutions would require all developers using CMHC mortgage financing to include a percentage of public housing in their projects and, second, the establishment of public information bureaus in every sizable community to hear the complaints and deal with the housing difficulties of citizens. This was an essential measure now; larger policies would take at least two years to get started. He described the pressure on his time, as a clergyman, from people with urgent housing problems.

Since some delegates questioned the representativeness of the Guidelines Committee, which would frame final recommendations on behalf of the conference, two further members to represent the consumer point of view were appointed at this session.

The discussion returned to the choice between a concentrated attack on the housing needs of low-income groups as opposed to a "broad spectrum" policy to accommodate all groups. The labelling of some housing as "subsidized" was criticized. The idea that there was something shameful about living in subsidized housing must be challenged. One delegate said: "We can ask, 'What are you wearing this morning that is not subsidized? What did you eat for breakfast that wasn't subsidized?' " Parallels were drawn with publicly supported education and medical care. Those getting the greatest benefit of subsidization in their residential living were in fine suburbs with well-maintained access roads, superior schools and other publicly provided facilities. These "infra-structures" should be considered in our calculations.

A feeling had been expressed that public housing should be made inconspicuous by dispersing it in scattered sites throughout residential areas. This was felt by some to be a misguided approach, reflecting the stigma attached to such housing. Any stigma would disappear if there was a lot more public housing.

Tackling the cost factor, some delegates said that having the money to spend on housing programs depended in the long run on an increase in the Gross National Product, and would come gradually, while others maintained that it was more a question of reordering our spending priorities. Another financial fact should be made clear: that public money spent on housing was not money "down the drain" but was in most cases put into projects that are self-liquidating over time.

Citizen involvement in the planning of housing and neighbourhood development programs was stressed. Although the democratic process was time-consuming and fraught with frustrations, results were invariably better in the long run. However, though "citizen participation" was the *in* thing, few representatives of the consumers, particularly those of low income, were present at the conference. How could they be adequately heard? How could those present avoid the position of *doing good* for others,

instead of giving them a genuine opportunity to do what *they* wanted in seeking the good life? It was a question that was not answered. One delegate suggested that if such low-income tenants were present they would first of all insist on rent control, since many were compelled to spend far too much for rent.

The right to housing, it was pointed out, was meaningless unless there was an adequate supply of housing in the first place and the conditions governing that right were clearly stated and enshrined in law. Present procedures for allocating public housing conveyed no sense of right to those on the waiting lists nor any certainty of when they might be accommodated. Some delegates thought that it would make for a more equitable system if the criteria for admission to public housing were more widely publicized and the waiting lists were open to inspection by applicants.

A member of parliament urged that narrow political considerations no longer be used to obstruct a housing policy adequate to the need. It was a time for statesmanship. As legislators had once been bold enough to go on record in favour of public schools, they should recognize that the time had now come to establish a right to decent housing. The next requirement was to act immediately where the needs were greatest, among older people and for poor parents with large families, particularly in the large cities. The size of the problem was no excuse for not taking decisive action wherever the most urgent needs were apparent.

An architect from Montreal put in a plea for *good* housing, not "clean little boxes". We do not talk of minimum standards in medicine or education, but of providing the highest quality possible. Architects should contribute their skills to ensure the high quality of new housing. In minimum standards life is frustrated again, and there is failure, and the seeds of future slums and future decay.

A Saskatchewan delegate regretted that co-operative housing had not been emphasized, since the co-operative seemed to him the most effective body to deal with housing problems.

Returning to the cost factor, a delegate suggested that the most practical move the conference could take would be to ask the middle-class delegates present how much they were willing to have their taxes raised to pay for the housing programs they wanted.

However, another delegate argued that more money could be found by reducing spending in less urgent areas.

The frustration which was evident among delegates at this final general session arose not merely from regret that certain specific proposals had not been included in the final recommendations. It also arose, it seemed, and as one speaker expressed it, from a keen anxiety over the difficult and urgent problems across the country in successfully meeting housing needs. Many important ideas had emerged and no doubt would be eloquently expressed in the conference recommendations. But after that what would happen? The frustration had to do with lack of conviction that any action would follow from the recommendations.

However, it was fruitless to wait for a national blueprint. The conference had been extremely useful in generating new ideas on which local groups could draw in initiating action back home. A strong representation to the federal government and governments at other levels must be made. And a continuing committee must be empowered to press for action on the recommendations of the conference by appropriate administrative bodies.

ORGANIZING FOR ACTION

There was much discussion of how all the proposals raised at the conference were to be dealt with to everyone's satisfaction. Humphrey Carver, speaking for the conference committee, explained that there were no obligations and no commitments to arrange another national conference on housing in the future. Should some provision be made for doing so? Should the delegates to this 1968 conference leave some mandate for future action? What kind of future arrangement was favoured for continuing the national discussion of housing? Delegates had been invited to complete a questionnaire expressing their views on these questions and about one-quarter of the questionnaires had been returned, representing a good cross-section of delegates.

The responses showed a majority favouring future conferences held every two or three years, with the Canadian Welfare Council retaining primary responsibility for their organization, and a successor committee to be established at the conclusion of the conference to ensure continuity.

The conference committee had held a special meeting the previous evening to consider possible lines of action. Their conclusions were that: (1) they as an outgoing committee should transmit the conference recommendations as quickly as possible to appropriate bodies, (2) they should pass on their mandate to a successor committee which might well be based in the Canadian Welfare Council, (3) membership in the ongoing committee should be rooted in active provincial groups.

The plenary session considered these proposals and several principles were emphasized. Future conferences should ensure

adequate representation from citizen groups, possibly on the basis of three equal delegations from professionals, elected representatives and citizens. The recommendations were in most instances broad statements of principle and should be translated into specific proposals for transmission to appropriate organizations and government bodies. Steps should be taken at the local level to make the conference recommendations known to local and provincial governments and to press for their implementation. Co-ordinating functions should reside in a small national group or secretariat. This secretariat would be concerned not only with organizing further conferences but also with facilitating communication and disseminating information among the many groups concerned with housing across the country.

The recommendations of this session were formalized in an amendment to the Report of the Guidelines Committee and unanimously adopted by the delegates:

A continuing representative committee of this conference should be established for the purpose of finalizing the recommendations and transmitting them to the appropriate authorities and organizations represented at this conference, and, furthermore, such committee should make recommendations to the Canadian Welfare Council outlining ways and means of forming and funding a permanent and representative body whose purpose would be to promote the implementation of the recommendations across Canada.

The Future

III

Reports of the Policy Workshops

1 PLANNING FOR HOUSING

The people of Canada have a basic responsibility to ensure that every person and every family can enjoy adequate housing. Commitment to such a goal has not been made by the Canadian people to date. Why should we do so now? The acute shortage of housing and the hardship imposed by rapidly rising costs, which affect a growing segment of the population, have focused attention on this problem which is one element in a broad process of economic and social change and of rising expectations. Decent living accommodation is recognized to be a primary ingredient of the good life and necessary to ensure equal opportunity for the full development of individuals. The shelter needs of people have become the strategic point at which to attack a variety of environmental problems.

To achieve such a goal as "adequate housing for every person and every family" will require a firm commitment to allocate a basic portion of our national resources to this enterprise. How large should that portion be and how should that portion be allocated which we do commit? Properly focused research can be of help in answering these questions, but ultimately the answers involve political decisions. Housing must have a higher place in the scale of national and provincial priorities. This implies the adoption by governments of more rational systems of priority determination for all their public expenditures.

Establishing targets and setting standards

Our present methods of assessing housing need and demand are inadequate. The Economic Council of Canada has told us that we should be building 200,000 dwellings a year but even this

target may be inadequate. Moreover, it tells us nothing about the types of housing required, their regional distribution or the relative priorities of need among different income groups. Far more information is required in order to fit the supply of housing to the wide spectrum of human needs and to our industrial and financial resources.

What kind of planning are we talking about? Is it only for the public sector or for the housing market as a whole? Moreover, should our planning be aimed to *provide housing* through public authorities or to *assist people* in meeting their housing needs through the private market? Certainly for the immediate future, and perhaps for longer, the answer must be "both", with a broader application of co-operative and self-help programs. Among other things, governments must promote the necessary climate to enable private enterprise to serve a larger segment of housing need.

Estimates of need presuppose certain criteria of housing adequacy. No single definition of adequacy is likely to satisfy everyone and standards are continually evolving. Yesterday's conception of the "desirable" becomes part of today's "minimum requirements".

In general terms it may be said that "adequate" housing must provide for health and safety (light, heat, ventilation), conveniences (plumbing, etc.), privacy, and a physical and social environment which will not be damaging through noise, pollution, social stigma, etc., and which encourages a sense of community.

Human dignity requires that the individual has some range of choice of where he lives and the kind of housing he occupies. All the variety to satisfy every individual taste may not be possible but complete disregard of aesthetic values is not necessary. Nor can everyone expect to find the kind of housing he wants at every location. To retain choice may require a willingness on the part of the chooser to adapt to change.

Making decisions

Housing cannot be separated from its environment. Building dwellings means building communities, cities and regions — well or badly. Similarly, the satisfactions of the home depend in large measure on the quality of the environment and on the amenities

accessible to its occupants. Effective planning for housing must therefore be within the context of a balanced development of employment opportunities, transportation, education, recreation, health facilities and the like. This type of co-ordination is desirable at each level of government as well as between the different levels; it has particular relevance to rural and northern areas of Canada, which have some of the worst housing conditions in the country, and to Indian, Eskimo and Métis communities. The simple substituting of improved dwellings for bad ones is no solution unless accompanied by positive economic and social development policies designed to attack the root causes of marginal living.

There is an urgent need for more research to guide our decisions. Task-oriented research that is interdisciplinary in scope and designed to illuminate specific problems and issues of housing policy should be given higher priority in our research efforts. At the same time, improved links must be forged between researchers, decision makers and practitioners so that research needs can be more effectively identified and the findings of research tested through application to actual programs. There is an urgent need for experimental projects incorporating new housing forms and new concepts of community design, and for improved methods of studying and feeding back the results of this experimentation.

In addition to more and better research, we need also greater participation in planning on the part of the citizens who will use the housing. They are the ones who must finally decide the crucial question of what kind of housing is "adequate". If they are involved in decision making from the beginning they become aware of the necessary compromises between individual rights and preferences and community responsibility. To make intelligent decisions, citizens need more information and technical advice than are now available. Some of the funds committed to housing should be designated for this kind of public education and information and for "advocacy planning" on behalf of local residents. So far as possible, housing "solutions" should involve the people concerned through mobilization and commitment of their own resources both financial and personal. Publicly sponsored housing information centres are an essential part of every urban community.

However, we cannot wait for research to produce technically perfect blueprints for housing nor for an informed citizenry to formulate programs of action. We must take some steps now to initiate the processes by which we can hope ultimately to achieve our long-range goals.

Action

1. A national housing council should be established to undertake research and to assist government in determining housing goals and in the formulation of housing policies. Such a council would work in close co-operation with Central Mortgage and Housing Corporation and the Economic Council of Canada and would encourage better co-ordination of planning between local, provincial and federal agencies.
2. Some way must be found both to stabilize the flow of investment funds into housing and to ensure sufficient volume of such funds to finance projected annual building requirements.
3. Governments at all levels must recognize the prior claim on their housing budgets of low-income families and individuals. The responsibility for continuously assessing this segment of need and acting to meet it should be mandatory for all levels of government.
4. Orderly urban growth depends on integration and provision of services such as utilities, transportation, parks and open spaces, schools. Municipalities should be relieved of some of the financial burdens of providing these, so that they will cease to discourage residential building as some of them do now.
5. Publicly sponsored land assembly programs are required that are large enough to plan total environments comprehensively.
6. Conservation of the existing stock of housing is no less important than building new dwellings. Governments can do more to rehabilitate the housing stock by providing various kinds of monetary incentives, including grants, and opportunities for refinancing houses. Assistance under the National Housing Act should encourage continuing community renewal programs rather than discontinuous projects.
7. All planning for public housing and urban renewal projects should include the requisite complement of social and recreational

facilities. Federal and provincial financing will be necessary to support the capital and operating costs of such facilities and services.

If Canadians do commit themselves to the goal of adequate housing for everyone, a new and vigorous effort on the part of all levels of government will be necessary to achieve it. Municipalities must become more enterprising and develop more expertise in grappling with housing problems. Provincial governments must assist local governments in carrying through responsibilities and display leadership in developing new regional structures for the planned development of housing in relation to other public programs of economic and social development. The federal government must define the priorities of national housing policy and ensure an adequate supply of investment funds to meet its targets and undertake an active program of research, consultation and public information. National policy must be sufficiently flexible to take account of regional differences both of needs and of resources. Devolution of decision making to the regional level is a prerequisite to more speedy and effective action on housing problems.

Most important of all, the public will have to comprehend the scale, complexity and significance of the problem and support the necessary expenditure of public funds and effort.

2 ORGANIZATION OF HOUSING PROGRAMS

Although the focus assigned to this workshop was organization, each group spent some time discussing "organization for what?". Only a genuine understanding of what housing means to us makes it possible to think and talk realistically about organizational forms and relationships. The following considerations helped to shape the workshop's approach to organization.

1. Housing is part of a highly complex social problem which requires integrated treatment on a broad front. We should plan total community environments and not simply residential structures. The avoidance of public housing ghettos demands clear-eyed understanding of the design, social and attitudinal factors involved.
2. Housing should be increasingly a public service. Opinions ranged from support for a vast increase in public housing to advocating removal of urban land altogether from the market place and placing it under public ownership and control. The majority view was that housing opportunities should be placed on a level similar to that of education.
3. Housing was viewed as a large urban problem but emphasis was also placed on smaller communities such as pioneer settlements, small urban growth points in settled areas, and on the acute problems of housing on Indian reserves. These significant environmental variations point to the need for flexibility and decentralized planning in design and administration.

Problems

The groups found it easier to point out faults, gaps, failures and breakdowns in the organization of housing programs than to agree

on constructive proposals. A number of major organizational problems were isolated:

1. Poorly defined and articulated participation by those directly affected.
2. Insufficient sensitivity on the part of governments to regional and local needs, not only in terms of standards and services but also in relation to the smaller communities referred to above.
3. Overlapping and lack of co-ordination among federal, provincial and local governments and their relevant programs.
4. Weaknesses in planning due to inadequate time perspectives, unsuitable definition of the physical planning area, and inadequate consultation with consumers and, to a lesser extent, the producers of housing.

Proposals

The guidelines for organization generally assented to by the workshop fall into four highly interdependent groups:

1. *Community.* Active participation by the consumers of housing must be developed, particularly at the planning stage. Some provincial legislation now requires public participation but is not sufficiently explicit about allocation of specific responsibilities. There should be public financial and technical support to assist in the development of participation through community development, area councils and social animation techniques. Housing developments without community activity and responsibility are no longer acceptable.
2. *Regional and local.* The largest degree of responsibility should be vested in local authorities, all the way from initiation to ultimate management and evaluation. However, it was recognized that there is a wide variation in the political and administrative competence of local governments to carry out housing responsibilities. There are also varying degrees of response by local governments to public demands for housing. Regional forms of local government were favoured, because these would provide administrations capable of implementing area planning effectively. Such areas provide more useful foci for federal and provincial functions in

housing. There is also need to improve co-ordination of all local services to achieve a coherent approach to housing.

3. *Provincial.* It was more difficult to achieve consensus on provincial responsibilities than local, partly because of divided opinion on the role of the federal government. If, for example, the federal role is restricted to financing, then a larger role might be assigned to the provinces in matters such as standards and design.

Certain organizational changes are clearly needed. A better defined authority within the provincial structure might take the form of a housing authority or, more comprehensively, a department of urban and regional affairs. The need for integrating the related provincial activities is becoming more and more pressing. The effective technique for achieving better integration, as well as higher regional sensitivity, might be to decentralize provincial urban or housing functions on the basis of the newly designed regions referred to above, and to establish regional offices as the authoritative co-ordinating bodies for provincial programs.

4. *Federal.* The role of the federal government proved to be the hardest to define to the general satisfaction of the workshop. There was unanimity on the federal role in financing the major portion of public housing costs. There was majority support for a federal voice in developing Canadian standards and guidelines, but not to the exclusion of provincial and regional flexibility in these matters. There was majority support for removing the necessity of federal approval for individual projects. Those who supported federal activity beyond the level of financing proposed the establishment of a national organization, council or department to focus on urban affairs, in combination with greater regionalization of federal activities and delegation of greater discretionary authority to regional federal offices.

3 THE SCOPE OF HOUSING ASSISTANCE

How much?

There is at present no systematic approach to the assessment of the need for housing in Canada. Need and demand as expressed through the market are far from synonymous. Even the demand expressed in waiting lists for public housing and in replies to questionnaire surveys is an unreliable guide to real need, since many of the residents in the most deteriorated housing are often unaware of the assistance that is available or are unconvinced that it can be of any value to them.

To prepare an accurate assessment of the need for housing would require not only a continuing up-to-date inventory of expressed demand but also a search in communities for real need, including an appraisal of the social requirements and financial circumstances of families and individuals. Such investigations should be made on a regional basis.

The questions arise: would such a systematic assessment be a useful expenditure of time, energy and money? Is it possible to overestimate the need? Would it be better to devote all resources to augmenting the supply of housing? The consensus of those considering these questions was that a complete and continuing inventory of housing needs throughout Canada is essential and that the technical and/or financial assistance to co-ordinate such an enterprise should come from the federal government.

There is abundant evidence that housing costs impose budgetary strains on low-income families, but this evidence is not systematically documented; there is need for more research into

the relationships of rent, size of family, and income, in order that realistic rent scales can be developed. It was stated that many poor families are paying more than half their incomes to cover the cost of shelter.

To whom?

The scope of assistance must be sufficiently broad to cover the low- and moderate-income population, and the assistance provided, whether direct or indirect, whether to owners or renters or builders, must be recognized as presenting a claim on public resources. Comprehensive programs on a large scale would have the advantage of encouraging the development of technology aimed at bringing down the cost of housing and would promote more economical servicing of land.

The housing needs of the lowest one-quarter of the population require direct subsidy out of public funds. The upper level of this segment was set, according to regional differences, at between \$4,000 and \$6,000 a year.

The moderate-income group may be taken to include the 50 per cent of the population whose annual incomes fall between \$4,000 and \$8,300, although the range is subject to regional variations. At present there seems little hope that their housing needs can be met entirely by private enterprise, although other means of assistance besides direct rent subsidy are possible and desirable.

What kinds?

1. *Subsidized rents.* The principal answer to the housing needs of the low-income group seems to be in directly assisted rental housing, since the costs of taxes, maintenance and upkeep of home ownership are usually beyond the reach of this group.

Advantages and disadvantages of public housing can be cited. The social stigma and segregation which affect some of the housing built exclusively for low-income families might have been mitigated if that housing had been dispersed and merged more inconspicuously into the residential landscape. On the other hand, if a great deal more public housing were undertaken and occupied by families with a broader range of income, this would allow a better social mix and the stigma would be avoided. The suggestion

was made that each large new residential development should include some public housing as an integral part of its planning, so that from the beginning the residents in public housing would share in the growth of the community and in the use of community facilities.

Public housing programs should be included in long-range regional planning and be consistently carried out, even if this means that politicians have to become less sensitive to the objections of property owners living adjacent to the proposed developments.

Some of the disadvantages now associated with public housing are the result of the lack of social and recreational facilities. If the true objective of improved housing is the improvement of the quality of life, shelter must be accompanied by supporting services and some way must be found through the National Housing Act and other related legislation to provide social and recreational facilities in conjunction with housing.

Two ways of providing immediate relief for low-income families, other than through the provision of public housing, were suggested. One is the payment of rent supplements for accommodation in private housing. Statutory changes would be required in order that all levels of government could share the cost. Another expedient might be the establishment of rent review appeal boards. Both of these should be further investigated. To the suggestion that public housing tenants should be enabled to purchase the units they now occupy it was objected that this would further reduce an already restricted supply of public housing.

2. *Home ownership.* For the family of moderate income, home ownership will probably depend increasingly on substantial public subsidy of one form or another.

The "subsidy" for the moderate-income family desiring to own a home could be arranged by various devices: a) grants to persons buying their first home, b) lump sum prepayments of family allowances for use as down payments, c) more mortgage money available from CMHC and more generous mortgage arrangements, possibly including subsidized mortgage interest and/or a longer amortization period.

The tax structure in municipalities acts to deter the construction of moderately priced housing. The municipal tax structure should

be reviewed. In the meantime, home ownership would be encouraged by measures such as rebates on property tax and income tax exemptions for property tax.

To encourage the private housebuilding industry to provide a greater range of choice to families of moderate means, more attention should be paid to possibilities such as condominium housing, co-operatives, limited dividend corporations, etc. Moreover, governments should energetically promote non-profit housing associations. Groups desiring to embark on non-profit projects are often unprepared for the complicated procedures. Therefore it was suggested that, on the one hand, procedures should be simplified and, on the other hand, information and technical services be supplied. Some device should be developed so that CMHC can assist participants in a co-operative if their income level would qualify them for publicly subsidized housing.

Since the cost of land is an important factor in placing housing beyond the means of most families, land speculation should be restrained through publicly financed land assembly schemes, with leasing of land at cost, or resale at regulated, not market, prices.

Where ?

The need to develop land assembly programs may be greatest in small communities where financial resources for development, both public and private, may be meagre. In general, the housing problems and needs in smaller communities were thought to be basically similar to those in large urban centres. However, since there is less private capital available for use in financing housing developments, probably CMHC should participate more actively by direct loans.

It is not only the creation of new housing that demands assistance. The maintenance and rehabilitation of existing housing stock is good economy. If it is done for the common good, it is reasonable to use public money either in the form of long-term low-interest loans or outright grants. Low- or moderate-income families usually need financial help to improve their properties since they cannot sustain the cost of repairs or, if they are tenants, the increased rent charged by the landlord to recover his costs. Maintenance bylaws, well enforced, with financial aid available,

will enable communities to avoid the more costly and disruptive procedure of urban renewal.

Whose responsibility ?

The workshop was not specific in allocating financial responsibility for housing assistance between the various levels of government except in the few instances already mentioned. However, it was convinced that the money can be found for the necessary comprehensive housing program if the public recognizes the true seriousness of the situation.

4 PROSPECTS FOR REDUCING HOUSING COSTS

Any discussion of housing costs presupposes some judgments about what is "high cost" for whom. There is a segment of society which is quite able to buy whatever it wishes as home and shelter; another segment is able to serve its needs more or less adequately from the regular market; a third segment is unable, to a greater or lesser degree, to provide for itself from the regular housing market. Since this workshop did not address itself to the requirements of any particular segment of the community, the suggestions which it offers bear consideration in the interests of the whole, and were formulated primarily with the intention of putting housing within the reach of all. Attention was concentrated on urban housing, to the unfortunate exclusion of what was recognized as a serious rural housing situation.

Land

It was not difficult to agree on the major components of housing costs, although their importance can be variously rated. Probably the most important is the high price of land. Land is of two kinds: "raw" and serviced; its high price is at least in part due to the activities of land speculators. To curb speculation in undeveloped lands, a capital gains tax might be imposed. Land assembly by government in accordance with general planning should be encouraged. In order that this planning be adequate, regional planning authorities should be created by the provinces. Present political boundaries are horse-and-buggy boundaries.

Within the framework of adequate regional planning, areas of raw land should be provided with services in excess of immediate

market demands. Financing the costs of services is a major cost factor. Various ways of dealing with it were discussed. The suggestion was made that the costs of servicing should be borne by the community as a whole, not by the developer or the purchaser, because they are a part of the creation of the total environment. The costs per unit of housing may be reduced by increasing densities and also by reducing some of the requirements such as width of lots, width of streets, setbacks, burying of electric power cables, etc.; but increased densities need to be set within the context of an integrated plan of residential development.

Funds

Fluctuations in the availability of mortgage funds adversely affect the efficiency of the building industry. It is important that there should be a steady supply of money and that this supply should not be manipulated as a means of controlling the general economy of the country. There should be much more money going into housing and it is suggested that we need a dramatic national approach to the mobilization of funds for housing such as has been taken in the past to raise national bond issues. Another possibility worth investigating would be the establishment of a housing mortgage market in which the small saver could invest. There might be tax incentives to such investments such as are now offered for resource development.

Taxation

Taxes enter into the cost of housing at several points and their removal or reduction could lower costs and stimulate production. Specifically, federal and provincial sales taxes on building materials should be removed, municipal imposts should be abolished, property taxes should be reduced by the provision of more money to municipalities by higher levels of government. In particular, some alternative means must be found for financing the costs of education in order to lift some of the burden from real estate.

Construction

The adoption of a National Building Code would allow more standardization of the constituent parts which go into house-building and result in some saving in cost. Technological advances

in the construction industry could probably result in savings, but at present, municipal building regulations and the requirements of lending companies discourage innovations. Government initiative is needed to promote experimentation with large-scale production using advanced industrial methods. The processes by which projects are approved and permits granted are cumbersome, inefficient and costly for the builder. They could certainly be streamlined and expedited.

Other costs

Legal costs associated with housing could be greatly reduced by reform of the land registry system using computerized methods. Reduction of real estate commissions and architects' fees might also be considered.

Housing and people

Builders, developers and planners need more information about what the public really needs and wants in housing. And the public needs to know much more about the real costs involved. Perhaps they must lower their standards and be satisfied with the reduction or elimination of some of the unessential luxury items now included in "standard" housing. Perhaps they must abandon the dream of the single-family dwelling standing alone in its individual plot of ground in favour of condominiums, row housing, high-rise apartments, etc. What amenities would make these alternatives acceptable? Multiple use of community service buildings should be encouraged.

Much more could be done to renew the older areas where services now exist. The municipalities could offer incentives to improvement in the form of tax rebates or, where improvement is uneconomic, to redevelopment by deferment of assessment. Expropriation procedures could be improved and humanized by measures such as annuities in lieu of cash.

In considering ways of reducing the costs of housing, society must recognize that the adequacy or inadequacy of housing has social consequences; that a considerable complex of sociological, organizational and planning factors are involved in development of an environment for pleasant and healthful living; and therefore,

that the discussion of costs is circumscribed by the minimum standards of housing which will meet the objectives and values of that society.

5 HOUSING AND SOCIAL DEVELOPMENT

Although this workshop dealt mainly with questions concerning the *quality* of our housing environment, the members did not ignore the urgent need for a greater *quantity* of accommodation for Canadians. Most of the groups called for a declaration that the right of every citizen to decent housing should be incorporated in law and implemented through the initiation of vastly augmented public and private housing programs. From this premise the workshop considered the adequacies of current housing policies in relation to the social satisfaction they provide.

Public housing

A major concern of the workshop was the need to mitigate the stigma that current public housing programs impose on tenants. It was recommended that steps be taken to reduce the conspicuousness on the social and geographical scene of public housing residents, such as:

- a) emphasizing small developments and dispersing public housing throughout the community;
- b) creating a wider income mix through modification of the rent scale;
- c) designing less obtrusive public housing dwellings;
- d) developing community programs to further the integration of public housing residents in their neighbourhoods.

The building of a considerably larger public sector in the housing market should diminish stigma factors now associated with public housing. Subsidization of families rather than

dwellings, through rent and home ownership subsidy programs, would increase the opportunities for low-income people to integrate into the social fabric of the community. Increased encouragement of co-operative housing enterprises is another way of dealing with this problem. However, some workshop participants felt that there may be advantages in the concentration of low-income people in particular developments and neighbourhoods in that mutual support can be fostered without threat from the life style of neighbours. Furthermore, community institutions can effectively relate to the specific educational and other requirements of such groups.

Freedom to choose

A major aim of housing policy must be the maximization of choice in living arrangements. People of low and moderate income need to be able to purchase accommodation according to their preferences. Not only the affluent should have the opportunity to choose whether to live in downtown or suburban areas, whether to reside with grownup children or in senior citizens' projects, whether to opt for privacy or an open plan in style of housing. Government programs are required that actively promote diversity.

Current housing production is not providing sufficiently for the needs of groups such as ethnic minorities, rural residents, the handicapped. New ways of public intervention are particularly needed in situations such as the application of urban renewal type assistance in rural areas and alleviation of the plight of Indians. Private developers might be more responsive to innovation in the design and character of their products if adequate incentives were made available by different levels of government. To guarantee greater consumer freedom, what is needed is not a single public program to supplement the activity of the private market but a multiplicity of housing innovations emanating from government, voluntary and free enterprise sources.

Citizen participation

The predominant concern of the members of this workshop appeared to be the need to achieve genuine citizen participation in housing programs. Not only should people have the opportunity to determine the nature of their housing environment, but

effective participation by all groups concerned would help to avoid the mistakes inevitable in planning *for* people rather than *with* them.

Local residents have already started to take part in urban renewal planning in Canada but insufficient understanding of the necessary dimensions of participation continues to exist. Required is not merely the acquiescence of local residents, but also their active involvement in the planning processes from the beginning. For this, funds have to be made available to assist in the provision of community development services to resident groups. It was evident that confusion exists about the legislative provisions for this type of funding.

The involvement of tenants in public housing management is also a desirable objective as a means of providing increased dignity and stimulating self-sufficiency. To ensure that citizen participation does take place, it was suggested that funding of urban renewal and housing programs should be made contingent on the demonstration of provision for resident involvement.

Social facilities

In order to make easy and natural the involvement of private and public housing residents in community life, housing developments should contain appropriate on-site facilities and be properly related to neighbourhood service institutions. To achieve this relationship, representatives of the social services must be involved in the design and planning. Such obvious needs as day-care centres, meeting rooms and recreation areas should be integrated with existing facilities and the planning should consider the total community. Neighbourhood service and information centres must be developed to provide help with housing and other community problems.

In addition to providing physical facilities, housing programs must also be more effectively related to social, economic and cultural considerations, so that the attainment of new housing will contribute to the elimination of poverty. Good housing in itself is not sufficient to supply new hope and opportunity to people. What is needed is a more effective integration of social and physical planning so that changes in the material character of the

environment are accompanied by an enlargement of possibilities for social development and justice.

Need for research

Throughout their discussions workshop members were conscious of the scarcity of published knowledge in Canada about the social aspects of housing. Far more research needs to be focused on this subject. The staff composition of housing and renewal corporations should include more personnel trained in sociology and social work. Research needs to be carried on at the local, regional and national levels. To encourage, co-ordinate and arrange funding for this, a national institute or centre should be created. In addition, every housing program should provide for regular and mandatory evaluation of the social suitability of its housing developments.

Recommendations of the Conference

1. The Canadian Conference on Housing (1968) declares that all Canadians have the right to be adequately housed whether they can afford it or not.
2. Housing is more than shelter and must be within a context of community that includes provision of related facilities and services to make liveable the urban environment in which most Canadians will reside.
3. A wider range of housing, including private, co-operative, non-profit and public housing, and greater freedom of choice of location, design and form of tenure should be available to low- as well as middle-income groups.
4. Effective exercise of choice includes participation in planning and operation by the present or anticipated users of housing. Information and consultation are legitimate public expenses as much as sidewalks and sewers.

PRIORITIES

5. There is great urgency about the Canadian housing problem. It is an emergency for people of low income and an increasingly serious problem for those of middle income.
6. Canadian housing goals will not be easy to achieve. They require much higher priority within the public economy (federal

and provincial) and should be seen to be as socially essential as education. No government is spending according to the priorities this conference insists on. Canadians pay heavily for the social costs of inadequate housing, while some argue that we don't have the resources to do much about it.

7. As long as government allocations for housing are insufficient, priority within housing budgets should go to helping those with the greatest need — low-income and minority groups, and depressed regions — through appropriate use of housing, employment and income policies.

MEANS

8. A fundamental problem is the provision of adequate supplies of serviced land at reasonable cost. There is a substantial demand for public ownership of urban development land and the elimination of speculation. Another view is that public money ought to be spent to open up more land through provision of services, including schools.

9. Heavy taxation by all levels of government on construction and development is seen as a serious deterrent to the production of housing and control of its costs. On the other hand, the question is posed, where are governments to find alternative sources of revenue? The financing of education costs through property taxes is acknowledged to be a major roadblock for local governments.

10. Effective incentives, including grants, for rehabilitation of existing housing stock are essential to the best use of a scarce resource, to lessening of social dislocation, and to retention of the historic character of our cities.

11. Co-operative and other non-profit and limited dividend housing by responsible sponsors for low- and middle-income families should be further promoted and assisted to complement existing housing and to provide a wider choice. Central Mortgage and Housing Corporation and provincial authorities should recognize

duly constituted housing co-operatives as non-profit housing organizations.

12. Wherever practical, private developments financed by CMHC loans should include an element of public housing. The aim should be to increase the supply of public housing that is better integrated with the general community.

13. The provision of social services and facilities for public housing and the adaptation of its design to the larger community are essential if optimum benefit is to be derived from expenditures on such housing.

14. Local and provincial governments are urged to co-operate in establishing citizens' housing bureaus, financed out of public funds and based on broad community representation, to help people find suitable accommodation and to resolve their housing and related problems.

15. The ineffectiveness of government structures for implementing a comprehensive housing policy is clear. Accordingly, this conference proposes the appointment of federal and provincial ministers of housing and urban affairs. It urges, in addition, the establishment of regional and local housing administrative units to encourage comprehensive planning and development and to ensure that senior government financing is more responsive to local needs.

16. Action must be mobilized, co-ordinated and streamlined by government, assisted and advised by the users of housing, private developers and builders, co-operative and other non-profit groups, city planners and financial institutions. Without such action this conference anticipates further deterioration in the housing situation.

17. It is recognized that the resolution of housing problems requires overall solutions to problems of the economy, of government effectiveness and community design.

18. A national institute to focus social and technical studies upon housing and the living environment, perhaps a national housing

and urban affairs council, is believed to be of prime importance in improving the quality of our communities.

19. All the proposals of the workshops, plenary sessions and formal presentations of the conference warrant serious consideration by all levels of government and are directed to them.

20. A continuing representative committee of this conference should be established to finalize the recommendations and transmit them to the appropriate authorities and organizations represented at the conference. Furthermore, such committee should make recommendations to the Canadian Welfare Council outlining means of forming and funding a permanent and representative body which would promote the implementation of the recommendations across Canada.

21. The Canadian Conference on Housing urges all levels of government to implement a co-ordinated program to provide the housing all Canadians need. It sees this goal as a crucial element in the nation's physical, social and economic health.

Biographical Notes

CONFERENCE CHAIRMAN

W. HAROLD CLARK, Toronto. *Member, Toronto Advisory Board, Canada Trust and Huron & Erie Mortgage Corporation.* Member and past Chairman, City of Toronto Planning Board. Director, American Society of Planning Officials. Board Member, Canadian Council on Urban and Regional Research. Member, Board of Governors, Canadian Welfare Council. Formerly National President, Community Planning Association of Canada; Chairman, Citizens' Housing and Planning Association, Toronto.

PROVINCIAL CHAIRMEN

ARTHUR J. BLOCK, Vancouver. Graduate, University of British Columbia and the Harvard Graduate School of Business Administration. *Co-founder, Block Bros. Realty Ltd.* Chairman, Tree Island Steel Co., Ltd. Chairman, Housing Committee, United Community Services of the Greater Vancouver Area. Director, Canadian Council on Urban and Regional Research.

J. H. CHRISTIE, Winnipeg. *Senior Partner in Charge of Design, Moody, Moore & Partners.* President, Manitoba Association of Architects. Director, Community Welfare Planning Council of Winnipeg and Chairman, Committee on Housing and Urban Renewal. Associate, Royal Institute of British Architects. Member, Royal Architectural Institute of Canada.

JACQUES DUPUIS, Montreal. Graduate, University of Montreal. Member of the Bar of Quebec. Sales Manager and Member of the Board, Alphonse Raymond Ltd., 1947-62. Assistant Administrator, Fédération des œuvres de charité canadiennes-françaises, 1962-64. Commissioner, Special Committee on Housing, Department of Municipal Affairs, Province of Quebec, 1965-68. Executive Director, Fédération des œuvres de charité canadiennes-françaises, from 1968 to 1969. *Executive Vice-President, Montreal Stock Exchange*, from 1969.

MRS. V. M. HOAG, Regina. *Alderman, City of Regina;* Chairman, Planning Committee and Member, Urban Renewal Committee. Chairman, Pioneer

Village Ltd. (a corporation providing housing for elderly persons). Chairman, City Planning Commission. Member, Regina Housing Authority, Provincial Zoning Appeal Board. Western Vice-chairman, Canadian Housing Design Council. Formerly Member, National Board, Community Planning Association of Canada.

ALAN MACDONALD, Halifax. Graduate, Saint Francis Xavier University, and Nova Scotia Technical College in civil engineering. *Vice-president, Almac Agencies Limited*, an engineering sales organization. Chairman, Nova Scotia Housing Commission.

HON. FRANK C. MCGEE, P.C., Toronto. Former Member of Parliament for York-Scarboro; Member of Cabinet as Minister without Portfolio. Host, CBC public affairs program "The Sixties", 1963-65. Columnist and Member of Editorial Board, *Toronto Star*. *Vice-president and Member of the Executive Committee of the Board of Directors, The Public Relations Services Limited*. Vice-president, Canadian Institute on Public Affairs. Director, Canadian Civil Liberties Association.

LOUIS R. SEHEULT, Fredericton. Graduate, University of Toronto. Consolidated Paper Corporation and Singer Manufacturing Co., Quebec, to 1945. Finch Pruyn Co., New York, to 1950. *Professor, Forest Engineering, University of New Brunswick*. Chairman, Housing Committee and Tourist and Industrial Committee, Fredericton City Council.

D. B. SMITH, Calgary. Graduate, McGill University, and Massachusetts Institute of Technology. Head, Engineering Department, Sherritt Gordon Mines Limited. Manager of Gas Supply, Canadian Western and North-western Utilities. General Manager, Canadian Western Natural Gas. *Vice-president and General Manager (also Director), Canadian Western Natural Gas Company Limited*.

MURRAY STEWART, Calgary. Chairman of Alberta Committee to May 1968, preceeding D. B. Smith. *President, Canadian Western Natural Gas Company Limited*.

AUTHORS

DR. H. N. COLBURN, Ottawa. Graduate, University of Manitoba and Harvard School of Public Health. *Department of National Health and Welfare*: Medical Superintendent and Zone Superintendent, Indian hospitals in Manitoba and Alberta; *Medical Consultant, Health Services Branch*. Background Paper, *Health and Housing*.

DAVID V. DONNISON, page 337. Background Paper, *Housing Problems and Policies: An Introduction*.

WOLFGANG M. ILLING, Ottawa. Graduate, University of Ottawa. Author of *Population, Family, Household and Labour Force Growth to 1980*, and *Housing Demand to 1970*, for the Economic Council of Canada.

Economist, Economic Council of Canada. Background Paper, The Rising Cost of Housing and Problems of Financing.

DR. MARVIN LIPMAN, Ottawa. Graduate in social work, University of Toronto. Psychiatric Social Worker and Branch Director, Children's Aid Society of Metropolitan Toronto. Study of Social Welfare Services in South Peel Township for Ontario Welfare Council. Member, Advisory Group, Central Mortgage and Housing Corporation. Author of Background Paper, *Social Effects of the Housing Environment.*

DR. ALBERT ROSE, Toronto. Graduate, University of Toronto, and University of Illinois. Director, University of Toronto School of Social Work. Member, Board of Directors, Ontario Housing Corporation and Ontario Student Housing Corporation. Chairman, Consultative Committee on Housing Policies for the City of Toronto. Author, Background Paper, *Canadian Housing Policies.*

SPEAKERS

DAVID V. DONNISON, London, England. Graduate in philosophy, politics, and economics, Oxford University. Cassidy Research Fellow, University of Toronto School of Social Work, 1953-55. Professor of Social Administration, London School of Economics. Director, Centre for Environmental Studies, London, from 1969. Author of *The Neglected Child and the Social Services, Welfare Services in a Canadian Community, The Government of Housing.* Member of Milner Holland Committee which reported on London Housing. Consultant to United Nations on housing policies.

HON. PAUL T. HELLYER, P.C., M.P. Graduate, Curtiss-Wright Technical Institute of Aeronautics, and the University of Toronto. Member of Parliament for Toronto-Davenport, 1949-57; Parliamentary Assistant to the Minister of National Defence. Member of Parliament for Toronto-Trinity, from 1958. President, Curran Hall Limited, a leading Canadian building firm, to 1962. Minister of National Defence, 1963-67. Minister of Transport, from 1967 to 1969.

LEO MOLINARO, Columbia, Maryland. Graduate, University of Wisconsin and University of Illinois. Vice-president for education of the American Council to Improve Our Neighbourhoods, Inc. President, West Philadelphia Housing Corporation. President, American City Corporation, a division of the Rouse Company which is developing the new city of Columbia between Baltimore and Washington, D.C. Lecturer on urban policy for the Brookings Institution.

HON. STANLEY J. RANDALL, Toronto. Formerly President, General Steel Wares Limited; Vice-chairman, Canadian Manufacturers' Association. First Chairman, Ontario Economic Council. Served on Business and Industry Advisory Council of the European Economic Community. Member of the Ontario Legislature for Don Mills Riding, from 1963. Ontario Minister of Trade and Development.

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J. E. BROWN, Victoria. Graduate, University of British Columbia, University of Chicago. Author of several economic reports for the Province of British Columbia. Secretary to the Goldenberg Royal Commission on Provincial-Municipal Relations; Chairman, British Columbia Housing Management Commission; Chairman, Capital Improvement District Commission; *Deputy Minister, Department of Municipal Affairs, Province of British Columbia*.

HENRI DION, Q.C., Quebec. Graduate, Laval University. Member of the Bar, Province of Quebec. Legal Adviser, Administrator, then Director of the Quebec Region, Central Mortgage and Housing Corporation, to 1965. Chairman of the Special Committee on Housing (formed to organize the Quebec Housing Corporation), Province of Quebec. *Chairman, Quebec Housing Corporation*, from 1967. Member, Executive Committee, Canadian Conference on Housing.

ALAN MACDONALD, see page 336.

B. R. ORYSIUK, Edmonton. Graduate, University of Alberta. Town Planning Officer, Department of Municipal Affairs, Province of Alberta. *Executive Director, Alberta Housing and Urban Renewal Corporation*, from 1967.

NEIL OSLER, Winnipeg. Graduate in architecture, University of Manitoba. Practised in Winnipeg, Hamilton, Toronto, London, England. Architect, Department of Education, Province of Manitoba. Director, Housing and Urban Renewal Branch, Department of Municipal Affairs. *Chairman of the Board and Manager, Manitoba Housing and Urban Renewal Corporation*, from 1967.

JOSEPH F. SHERWOOD, Fredericton. Graduate in law, University of Manitoba. Associated with international financial institution in Montreal specializing in financing of new communities, garden apartments, and other real estate developments. Central Mortgage and Housing Corporation, 1966-67. *President, New Brunswick Housing Corporation*, from 1967.

M. W. STURBY, Regina. Public servant with the Government of Saskatchewan in fields of public assistance, mothers' allowances, and old age pensions. Supervisor of Housing for Families and Senior Citizens, 1955-66. *Director of Housing and Urban Renewal, Province of Saskatchewan*, from 1966.

H. W. SUTERS, Toronto. Department of Architecture and Planning, Southwest Essex College, England. Involved in local government housing

programs in England. Public Housing Division, Central Mortgage and Housing Corporation. Director, Housing Branch, Province of Ontario. *Vice-chairman and Managing Director, Ontario Housing Corporation*, from 1964.

ALBERT VIVIAN, St. John's. Graduate, Macdonald College, McGill University. Regional Supervisor, Veterans' Land Act, 1949-53. Branch Manager, Central Mortgage and Housing Corporation, 1955-66. Commissioner of Housing for the Province of Newfoundland and Labrador, 1966. *Chairman, Newfoundland and Labrador Housing Corporation*, from 1967.

PANELISTS : PRIVATE SECTOR

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HERBERT C. AUERBACH, Montreal. Graduate of Pratt Institute. Resident Architect, I. M. Pei & Associates, for Place Ville-Marie. Project Manager for Industrialization of the Prefabricated Air Traffic Control Lab., U.S. Federal Aviation Agency. *Projects Co-ordinator, Concordia Estates Development Co.*, Montreal. Member, BEAM (Building Equipment Accessories and Materials) Committee on Industrialized Construction.

T. M. FERGUSON, Waterloo. Graduate, University of Toronto. *The Mutual Life Assurance Company of Canada*: Mortgage Executive, 1964-67; *Senior Investment Officer*, from 1967. Fellow, Chartered Institute of Secretaries of Great Britain.

S. BRUCE McLAUGHLIN, Port Credit, Ontario. Graduate, University of Toronto and Osgoode Hall. *President, S. B. McLaughlin Associates Limited* and *Managing Director, McLaughlin Group* of land development, planning, management and commercial companies. Active in Urban Development Institute, Toronto Metropolitan Home Builders Association.

ALEX J. RUBIN, Toronto. Graduate in engineering, University of Alberta. *President, The Rubin Corporation Limited*. Developer of Yorkwoods Village, Don Valley Woods. Developer and owner of the Colonnade, Toronto. Corporation currently doing redevelopment work in 5 U.S. cities. *President and Chairman of the Board, Revenue Properties Company Limited*, since 1961.

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MICHEL BARCELO, Montreal. Graduate in architecture, University of Montreal; Commonwealth Scholar in town planning, University of Edinburgh. Secretary, Quebec Association of Architects. *Associate Professor, Faculty of Urban Design, University of Montreal*. Director of several research projects, including "Urban and Architectural Information Systems", sponsored by CMHC.

H. BRIAN DICKENS, Ottawa. Graduate in civil engineering, University of Toronto. *National Research Council, Division of Building Research*, from 1950. Head, Housing Research Section, 1960-68; *Head, "Codes and Standards Group"*, 1968. Also responsible for liaison with Central Mortgage and Housing Corporation, the Forest Products Laboratory, and for special services relating to Division's international activities.

WILLIAM M. McCANCE, Toronto. Graduate in aeronautical engineering, University of Michigan. Contracting business in Toronto and Sarnia. President, Sarnia Home Builders Association. Chairman, Research Committee, National House Builders Association. *Director of Research, National House Builders Association*, from 1966. Member, Advisory Committee on Building Research, National Research Council.

PANELISTS : "A THIRD FORCE"

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ROLAND CÔTÉ, Quebec. Graduate, University of Ottawa. Auditor, Office of the federal Comptroller of the Treasury, 1939-43. Inspector, Fédération des Caisses Populaires Desjardins. Helped found the Housing Co-operative of Metropolitan Quebec; Manager, from 1961. *Executive Director, Fédération Co-op-Habitat du Québec*, from April 1968.

JAMES MACDONALD, Ottawa. Early career in Nova Scotia in organization and negotiation for local labour unions. Worked in adult education program, St. Francis Xavier University. Canadian Labour Congress staff representative for the Province of Nova Scotia, 1951. *Executive Secretary, National Labour Co-operative Committee*, from 1959.

JAMES P. TWOMEY, Washington, D.C. Executive Director, Community Renewal Foundation in Chicago. *Director, Nonprofit Housing Center at Urban America, Inc.* The Nonprofit Housing Center provides technical assistance to non-profit groups sponsoring lower income housing. Urban America is a national, non-profit, citizen's organization for planning, design, and development of communities.

DR. HEINZ UMRATH, Amsterdam, Netherlands. Graduate in law and economics, University of Heidelberg. Research and Education Director, General Netherlands Building Trade Union, 1950-65. *Secretary, International Housing Committee, International Confederation of Free Trade Unions and the International Federation of Building and Woodworkers*, from 1952. Representative of ICFTU on United Nations Committees on Housing, Building and Planning, and Social Development.

CONFERENCE EXECUTIVE SECRETARY

MICHAEL WHEELER, Ottawa. Graduate, University of London, London School of Economics, University of British Columbia. Associate Professor, University of British Columbia School of Social Work. Consultant on housing and urban renewal studies. Adviser on Social Policy to the Government of Nigeria. Social Affairs Officer, Department of Economic and Social Affairs, United Nations. Executive Secretary, Canadian Conference on Housing, from 1966 to 1969. *Director of Research, Canadian Welfare Council*, from 1969.

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Department of Economics,
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PROFESSOR JAMES MURRAY,
FRAIC, Toronto

DR. PETER OBERLANDER,
Professor and Head, Com-
munity and Regional Plan-
ning, University of British
Columbia, Vancouver

Discussants

WOLFGANG M. ILLING,
Economic Council of
Canada, Ottawa

MATTHEW B. M. LAWSON,
Toronto

DR. GERALD HODGE,
Department of Urban and
Regional Planning,
University of Toronto

FRANÇOIS D. LACASSE,
Department of Economics,
University of Montreal

MURRAY JONES,
Murray V. Jones &
Associates Ltd., Toronto

JONAS LEHRMAN, School of
Architecture, University of
Manitoba, Winnipeg

Rapporteurs

MRS. G. STEPHEN VICKERS,
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Electors, Toronto

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Research & Planning Ltd.,
Toronto

MRS. KENNETH JOHNSON,
Toronto

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*Conseil des Œuvres et du
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Quebec

PROFESSOR R. W. COLLIER, †
Division of Community and
Regional Planning, Univer-
sity of British Columbia,
Vancouver

R. S. LANG, Director of
Community Planning,
Department of Municipal
Affairs, Province of
Nova Scotia, Halifax

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Toronto

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Bathurst St. United Church,
Toronto

DR. MEYER BROWNSTONE, †
Department of Political
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University of Toronto

* Titles and positions of workshop leaders are those held at time of conference.

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Co-operative Development
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Social Work, University of
British Columbia, Vancouver

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Department of Geography,
University of Western
Ontario, London

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Queen's Park, Toronto

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Faculty of Architecture,
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Planning and Landscape
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University of Toronto

BERTRAM ELWOOD, Director,
Research Division,
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Planning Board

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S. Eric Johnson Ltd.,
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HARRY KOHL, Architect,
Toronto

DAVID CRENNNA, † Political
Science Department,
University of Western
Ontario, London

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& Son Ltd., Cooksville

WILLIAM HAMILTON, Assis-
tant Executive Secretary,
Canadian Federation of
Agriculture, Ottawa

† Chief rapporteur for workshop.

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PROFESSOR ALEX MURRAY,
Department of History,
York University, Toronto

IRVING GROSSMAN,
Architect, Toronto

MICHAEL AUDAIN, † Director
Community Relations
Branch, Ontario Housing
Corporation, Toronto

PROFESSOR LEN GERTLER,
Department of Geography
and Planning,
Waterloo University

LEON KUMOVE, Social and
Community Planning
Services, Toronto

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Secretary, Hamilton and
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J. E. OBERHOLTZER, Director,
Human Resources Research
and Development, Province
of Alberta, Edmonton

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Development Department,
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Brock University,
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couver Housing Association

MAX BACON,
Proctor, Redfern, Bousfield
& Bacon, Toronto

JACQUES DUPUIS, Executive
Director, *Fédération
des Œuvres de Charité
canadiennes-françaises*,
Montreal

MICHEL BLONDIN, Director,
Social Animation, *Conseil
des Œuvres de Montréal*

MME GERTRUDE LANGLOIS,
President, *Fédération des
Unions de Familles*,
Montreal

GEORGE Y. MASSON,
Architect, Windsor

JACQUES SIMARD, President,
*Corporation des Urbanistes
de Québec*, Montreal

MRS. MARY KNOX,
Point Grey Study Group,
Vancouver

ROBERT BOYLE, Director,
Housing Service, Quebec
Housing Corporation,
Quebec

MORLEY BLANKSTEIN, Chair-
man, Living Arrangements
Committee, Age and Op-
portunity Bureau, Winnipeg

REV. JOHN HANNANT,
Executive Secretary,
Diocesan Council for Social
Services, Toronto

† Chief rapporteur for workshop.

Guidelines Committee For Final Plenary Debate

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